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# **East Europe Report**

**ECONOMIC AND INDUSTRIAL AFFAIRS**

**No. 2071**



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## BULGARIA

### ECONOMIC WEAKNESSES OUTLINED

Sofia NOVO VREME in Bulgarian No 10, 1980 pp 13-22

[Article: "Greater Creative Skill, Knowledge and Daring in Completing the Seventh Five-Year Plan"]

[Text] The Bulgarian party members and working people are stressing their efforts to implement the decisions of the Eleventh Party Congress on the Seventh Five-Year Plan. An ever stronger basis is being laid for the solution of the even more complex problems of the next Eighth Five-Year Plan, and for the fuller satisfaction of the steadily rising needs of our people.

After assessing the significance of the successful implementation of the plan for the final year of the five-year plan, the BCP Central Committee Politburo submitted for discussion at the 29th of July 1980 Party Central Committee Plenum. Some basic results of the implementation of the Seventh Five-Year Plan so far and the immediate tasks which will determine its successful completion. This was entirely necessary in the light of the report submitted by Comrade Todor Zhivkov delivered at the Plenum on convening the Twelfth Party Congress.

Each party congress is an event of tremendous historical significance. Unquestionably, the Twelfth Congress will be equally significant. Its main purpose is to define the basic directions of the country's economic and social development for 1981-1985. The Plenum's decision on the basic results of the implementation of the Seventh Five-Year Plan and on the urgent tasks is a new appeal for even more effective party-political and organizational work and full mobilization of the forces and the creative energies of our people for the overall implementation of the decisions of the Eleventh Party Congress.

In the past four years of the Seventh Five-Year Plan our people achieved considerable successes in the country's socioeconomic development. The summarizing indicator of this fact is the produced national income which outstrips the national income generated in the entire Sixth Five-Year Plan by five billion leva. The higher and stable base on which the national economy is developing insured a relatively high growth rate of the national income representing a far higher absolute growth of the net income produced. In the first four years of the implementation of the Seventh Five-Year Plan, one percent of growth has equalled 132.4 billion leva, compared with 91 billion leva in the Sixth Five-Year Plan. In the past four years 2.2 billion leva more were invested in the national economy compared

with the entire Sixth Five-Year Plan. Overall capital investments totalled 24 billion leva. Capital assets worth about 21.5 billion leva were commissioned. As a result of this considerable quantitative and qualitative changes occurred in the available material and technical base of material production sectors and in activities in the non production area. By the end of 1979 the country's capital assets totalled 71.3 billion leva, or 18 billion leva more than at the end of 1975. A considerable percentage of capital investments went into the reconstruction and modernization of the available material and technical base which resulted in its substantial qualitative changes. Another contributing factor was the particular attention paid to the development of exceptionally important directions of the contemporary scientific and technical revolution such as electronics, micro-electronics, robotics and chemization. Consequently, a decisive material prerequisite is being created for the successful implementation of the strategic tasks of the five-year plan and for upgrading the effectiveness and quality of all activities.

The stable growth rates of the national income lead to the fast absolute growth of another of its important components—the consumption fund. From 1,186 leva in 1975 real per capita income rose to 1,601 leva in 1979. A total of 247,000 housing units were built, i.e., 27,000 more than were built in the entire Sixth Five-Year Plan. Within the same period per capita retail trade rose about 24 percent while public consumption funds rose 21.4 percent.

The study of these and other data on the country's socioeconomic development in the first four years of the Seventh Five-Year Plan indicated that the achievements are exceeding the results achieved in the entire Sixth Five-Year Plan. The significance of these achievements becomes even greater when we bear in mind the complex circumstances in which they were achieved. This applies to the more complex international economic situation and the adverse natural and weather conditions which prevailed in agriculture.

Those were the assets with which the country entered the final year of the Seventh Five-Year Plan. The results of the first half of this year indicate that the positive trends are continuing. The counterplans are continuing to be fulfilled in terms of their basic indicators. Naturally, this does not mean that we can be fully satisfied with the results achieved in the first half of 1980. A number of data indicate that not all labor collectives, economic organizations and ministries have eliminated existing weaknesses for the sake of reaching the desired and possible indicators stipulated by the National Party Conference. They failed to draw the necessary conclusions for a change in the work mentioned by Comrade Todor Zhivkov at the January 1980 conference with the economic aktiv.

Undiscovered reserves and unused opportunities remain in the national economy. Major weaknesses and shortcomings exist in the implementation of economic tasks. Violations are committed of labor, financial and technological disciplines. The main contradiction between the possibilities of the material and technical base, tremendous in terms of our scale, and its inadequately efficient use by the subjective factor, exposed at the Eleventh Congress and analyzed at the July 1976 Plenum, has not been surmounted.

The problems to be resolved before the end of the year and before the congress are

big and important. Their solution depends on all of us, on our work, on the ability of everyone to work more adamantly and more creatively, and to display a greater feeling of beauty and responsibility for assignments. The stipulation that no labor collective or individual worker remain owing something to the party and the people, thus worthily welcoming the forthcoming party congress, calls for insuring the full mobilization of our forces and resources. Every party member and working person must deeply realize, creatively interpret and actively implement in his daily behavior the imperative that the struggle for the fulfillment and over-fulfillment of the unified plan for the socioeconomic development of the country in 1980, and therefore, of the entire Seventh Five-Year Plan, is the most important economic, social and ideological and, in a certain sense, political assignment.

Bearing in mind the importance of 1980 as the final and decisive year for the implementation of the Seventh Five-Year Plan, the BCP Central Committee Plenum defined the main and urgent tasks to be implemented. This made it incumbent upon the party, state, economic and public organs and organizations to focus their main attention on their successful implementation.

The first of these assignments, indicated in the decision of the Central Committee Plenum, is "to mobilize the creativity, forces and skills of the working class, the agricultural working people, the specialists and the intelligentsia for the determination and total utilization of existing reserves for the implementation of the 1980 counterplans, for developing a nationwide socialist competition, and for properly welcoming the Twelfth BCP Congress." This requires specific and effective political and organization work with all working people.

In most general terms existing reserves could be characterized as unused but usable technical, organizational and socioeconomic opportunities for increasing output in one of another national economic sector or upgrading the effectiveness of the activities of one or another labor collective. The incomplete use of potential economic opportunities is a manifestation of the slowness in resolving arising contradictions and disproportions in the development of individual aspects and elements of the labor process. Such contradictions could be most general, such as the contradiction between the level of development of the elements of production forces, i.e., of production resources, and existing production relations.

The incomplete utilization of objective opportunities may also be due to the rising disparities and disproportions in the development of individual elements of production forces on a national scale or in individual sectors or smaller units. We know that in a number of cases virtually no proportionality is maintained in the development of individual elements and units of the production process and of overall economic activities. It is a question of consistency in the development of productive capital and manpower, of basic and working capital, of different levels of improvement of the individual elements of the production process, of weaknesses in the organization of production, labor and management, of imperfect technology, and so on. Naturally, the greater the disparity between the individual units and elements of the production process becomes the greater will be the disparity between objective possibilities and their utilization.

The very process of the growth and improvement of the material and technical base of the production process is conflicting. The quantitative and qualitative changes

occurring in productive capital eliminate some disproportions, improve certain production relations, and so on. This creates conditions for the use of corresponding reserves. However, considering the factually high rates of growth of the sectors and the inadequate experience of engineering-technical and performing cadres it is not always possible to establish optimum ratios and production relations among the individual production units and elements of the labor process. For this reason, some ratios and production relations improve while, simultaneously, new disproportions and more complex relations develop in the economic activities of sectors and individual production units. This means that some reserves are used while, simultaneously, others appear. Production reserves rise to the extent to which existing possibilities are not being fully and promptly used.

The nonutilization of this potential may also be due to the noncomprehensive growth and improvement of productive capital in a given unit as a result of which, for a while, a certain disproportionality may result. This may also be due to the fact that no similar quantitative and qualitative changes, corresponding to changes in productive capital, occur in some elements of the labor process within the same unit or in other interrelated units. Furthermore, the nonutilization of potential possibilities may also be due to the fact that the conditions necessary for improving the organization of production, labor and management have not been provided. Shortcomings in labor planning, norming and wages and in other similar national economic conditions and factors may equally be reasons for such partial and delayed utilization of potential opportunities for upgrading greater productivity and production effectiveness.

These are all factually existing reasons affecting our current practical work. Combined, to one or another extent they affect the development of production reserves. Such reserves exist also in the utilization of the three elements of the labor process. Despite the considerable achievements which followed the National Party Conference the existing production resources have not been fully used. For example, manpower resources are still being used inefficiently. Great working time losses occur as a result of full-day idling and violations of contractual and technological disciplines. The percentage of intra-shift idling, caused by weaknesses in the socialist organization of labor and low work skills in a number of sectors and production lines remains high. In a number of places the work is based on experimental-statistical norms which are easily overfulfilled without raising labor productivity to the necessary level. Existing possibilities for reducing the share of manual labor remain unused.

Results in terms of lowering the material-intensiveness of output remain unsatisfactory. A number of economic organizations continue to work on the basis of old outlay norms for raw materials, materials, fuel and energy. New technologies are being applied very slowly and the results of technological improvements in produced items remain unsatisfactory. This results in substantial processing waste. Defects are not always reduced to admissible levels. Bearing in mind the limited possibilities for the additional production of raw materials and materials or for their import, their inefficient use leads to the nonfulfillment of the planned volume of output, to lowering the possibility for a reduction in production costs, and to worsened quality. Efforts to collect and utilize secondary raw materials remain unsatisfactory. Not all possibilities are used for the substitution of expensive and scarce raw materials and materials, and so on. All this hinders the economizing



of material expenditures by about 700 million leva over and above the state planned figure, as stipulated in the counterplans.

No substantial improvements have been made in the utilization of the third production element: production capital. Full-day and intra-shift idling, whose share remains high, affects not only the level of labor intensiveness but the rational utilization of available materials and technical facilities. The shift coefficient of machines and equipment is not being improved. The task of insuring two-shift work with construction equipment is not being fulfilled satisfactorily. New production capacities are not mastered promptly and planned capacities are not always reached. No decisive improvement has taken place in the condition of capital construction and the timely commissioning of productive capital. This is mainly due to the non-fulfillment of the task of narrowing the construction area and the inadequate concentration of forces and facilities on main target projects.

All these reasons for the inefficient utilization of available production resources in one or another sector or economic organization or lesser production unit could be eliminated. Sometimes, the errors may be corrected rapidly and easily. In some cases this may be more difficult and slow. In all cases, however, they are removable. Naturally, their elimination may be accomplished not automatically but on an organized and systematic basis. The current possibilities for a better utilization of the three production elements are an exceptionally important, perhaps even decisive, factor for a faster increase of labor productivity and production effectiveness and for the overall implementation of the Seventh Five-Year Plan. The utilization of most of them is both possible and necessary. It offers the possibility of achieving greater production results per unit of production resources and per unit of time: greater and higher quality output at lower production costs and lower price. In practical terms this represents the utilization of one of the main factors for intensive expanded reproduction in the national economy. This would increase the scale and growth rates of the social product and the national income. Unquestionably, this would be of great national economic importance.

At the present time the use of existing reserves is of great advantage to society, for it could be accomplished relatively quickly and without considerable investments. Considering the present relatively high degree of saturation of the production process with expensive technical facilities, each additional percentage of increased labor productivity, achieved through the installation of new equipment and improved technology, becomes ever more expensive even though this is considered the main line of progress. That is why, at this stage, the utilization of this possibility which requires minimum additional capital investments is of great advantage to us, to society at large. The task is for each production unit to engage in a profound critical study of existing shortcomings and unresolved problems and earmark a system of comprehensive measures for the utilization of all available possibilities. Under specific circumstances, such possibilities display certain different specific characteristics. Consequently, the adopted measures must be consistent with the specific conditions under which a given production activity takes place. This approach would, unquestionably, open considerable opportunities for the solution of the problems set by the National Party Conference for the more effective utilization of materials, raw materials, energy, fuels, manpower and technology. Only thus, could we achieve the saving stipulated in the 1980 counterplans. As the decision of the BCP Central Committee Plenum indicates, each labor collective must struggle for

reaching the outlay norms for raw material and energy resources and for labor and materials achieved by the leading plants, agro-industrial complexes and construction and other organizations.

The decisive means through which existing reserves could be quickly utilized are the following: comprehensive and systematic application of the new economic approach and the mechanism for its implementation, on the one hand, and the improvement of all the elements of the socialist organization of labor, on the other.

Undertaking the solution of a number of important problems needed for the implementation of the decisions of the Eleventh Party Congress and the National Party Conference, the BCP Central Committee and the government of the Bulgarian People's Republic took a number of measures aimed at the more radical improvement of the national economic management system. This was manifested in the application of the new economic approach and the new economic mechanism in all material production sectors and in preparations for its application in all sectors and activities of the nonmaterial area. Displaying a great deal of energy and persistence, the party and the government are resolving and will resolve a number of problems whose solution depends on them. The new tasks call for the development of an atmosphere of overall and systematic application of the economic approach, the total manifestation of democracy in economic management, and the total development of the initiative and activity of production collectives and of those who manage, organize and implement various stages of the overall reproduction process in the country. The legal acts passed and drafted for implementation by the respective state organs lead to steady improvements of the specific mechanisms of the new economic approach, eliminating its weak aspects as they have become apparent in the process of its application so far.

The problem now is to penetrate and study in depth the essence of this new approach and to realize the objective need for its application in order to insure the successful solution of the new problems which arise in the country in all fields of social development. The more the new economic mechanism is improved and creatively applied, and the better the conditions for its overall functioning become, the greater will become the possibilities for economic influence and for intensifying the material interest in upgrading production effectiveness and profitability. Currently such opportunities must be practically utilized and implemented. It is precisely in this area that the role of management and performing economic cadres is of decisive significance. The more skillfully we develop the necessary coordination of the interest of individual producers, production collectives and society, the quicker will the solution of the problems become. The determination and utilization of the intensive factors in the various national economic sectors demand the more skillful use of the potential possibilities presented by the new organization of the wage system. Without this, as practical experience has indicated so far, no major result could be expected. This means that today we must focus our main attention on the improvement and systematic application of the mechanism leading to the implementation of the new economic approach. In turn, this requires that its creative application be undertaken by the entire party and the production collectives. Based on this position in the management of the party, the state and the production process, everyone must make maximum efforts to insure the proper organization and development of the production process, and for upgrading its technical and, particularly, organizational level and effectiveness.



As Comrade Todor Zhivkov emphasized at the January conference with the economic aktiv, the new economic approach must be conceived, practically interpreted and applied as an integral system of economic ways and means and as forms of organization and a mechanism for influence and control covering management, planning, production and distribution. Any attempt to narrow or reduce it to its individual elements or aspects distorts the approach and, essentially leads to its negation. In practice, however, in many areas this important principled concept is forgotten and priority is given to individual elements. This leads to internal contradictions and disproportions.

The advantages of the new economic approach and the new economic mechanism do not appear automatically. We must create all the necessary conditions for their comprehensive functioning. This applies to the government, to the central planning organs, all other management units, and the managements of economic organizations. As the Central Committee plenum decision indicates, we must intensify even further our efforts to ensure the comprehensive and systematic application of the new economic mechanism at all management levels with a view to the successful implementation to the tasks.

Another decisive means for the successful implementation of planned assignments and for properly welcoming the Twelfth Party Congress is the further improvement of the socialist organization of labor. Great possibilities exist for organizing the work of the labor collectives and for upgrading the creative activity of the working people. Improvements in the organization of labor lead to a more efficient division and cooperation of labor within each labor collective, improvements in the organization and servicing of work places, enhancement of the labor discipline, improvements of working conditions, perfecting of norming as the decisive means for material and moral incentive, upgrading the meaning and attractiveness of the work, and so on. This will create not only more favorable conditions for the development, advancement and better utilization of manpower but of the material elements of the production process as well.

Improvements in the organization of labor do not influence the quality characteristics of the labor tools and objects which determine their potential for obtaining specific results. However, the realization of the potential depends on how it will be used by the subjective factor. This depends to a decisive extent on the improvement and organization of the work. Though its contribution to the improvement of ties and interaction among the various elements of production forces and the influence of manpower on the labor object, the socialist organization of labor plays the role of a relatively independent additional production force regardless of the fact that it performs this role by upgrading the effective functioning of the other elements of the production process.

The brigade organization of labor offers particularly great opportunities under present conditions. For this reason, in the course of the further application of the economic approach, we must complete the improvement of the brigade organization of labor based on brigade cost accounting. The task is to develop a new type of brigade as earmarked in the report submitted by Comrade Todor Zhivkov at the 3 April 1980 National Conference and in the Politburo theses on this matter. It is a question of organizing brigades for a complete technological cycle or

technological phase. They will be assigned the production of a finished item of group of items or complete project. This is necessary, for the more complete a phase or result of the work of a brigade is, the more realistic are the possibilities for intensifying the collective material interest in the final results of the brigade's work. It has been frequently pointed out that the development of a new type of brigade organization is inseparably linked to the problem of brigade cost accounting, the responsibility and interest of the brigade collective, its self support and the achievement of total correlation between the results of the brigade's labor and the wage funds. Economically, brigade cost accounting concretizes the inner cost accounting of even the smallest labor collective. It is an economic method for influencing the working people, for steadily developing and improving the production process, for determining and utilizing reserves, for the efficient utilization of labor facilities and objects and of labor itself, and for achieving high production effectiveness and work quality under specific conditions. The decision of the BCP Central Committee Plenum makes it incumbent upon party and economic organs and organizations to pay particular attention to the comprehensive introduction of the new type of brigade organization based on cost accounting, self support, extensive use of leading experience and a closer connection between science and production. The task is for each brigade to reach a level of utilization of equipment, materials and labor already reached by the leading brigades. This requires the full utilization of the stimulating role of the new organization of wages.

A decisive strengthening of socialist discipline becomes particularly mandatory for the comprehensive improvement of all the elements of the socialist organization of labor in order to resolve the existing problems before the end of the year and successfully begin the Eighth Five-Year Plan next year.

Aware of the great importance of socialist discipline in resolving the problems facing the labor collectives, the BCP Central Committee Plenum faced the respective organs responsible to our society for its improvement with particularly important requirements. It made it incumbent on all party organs and organizations to intensify reciprocal strictness and responsibility and to reformulate the question of strengthening all forms of management—state, planning, technological, labor and financial. The task is to raise strictness to such an extent as to reach an open clash with anyone who violates it, regardless of his rank, position and job. Only thus could we properly implement the demand of uprooting all manifestations of bureaucratic implementation of state tasks.

Both economic and administrative methods of influence may be used in the efforts to decisively improve socialist discipline. This does not conflict with the economic approach, particularly when there is a proper combination of both. Wherever the economic approach has not been fully realized and wherever all its elements are not fully applied, administrative methods of influence may be used to a greater extent temporarily. This does not mean that they should become dominant or that possibilities for applying an economic influence should not be used.

When the socialist organization of labor has been improved, another major socio-economic problem must be resolved: we must reach the socially necessary normal labor intensiveness, at the same time, eliminate inefficient intensiveness in individual production units and economic organizations which work with a great deal

of stress without, however, achieving corresponding economic results. We must bear in mind that raising labor intensiveness to the socially necessary level which, under our socialist conditions, does not exceed the normal limits from the physiological and economic viewpoints, labor intensiveness is a factor for upgrading labor quality and productivity. That is why the establishment of a correlation between the socially necessary intensiveness and socially necessary quality of labor should be one of the main tasks in the efforts to improve the socialist organization of labor. The reaching of a normal, of the the socially necessary labor intensiveness, will provide one of the major prerequisites for the development of the socially necessary working time for the production of a given consumer value. Our society is not interested in letting labor intensiveness drop below the normal, the socially necessary level. It is equally uninterested in the use of more than the socially necessary working time for the production of a given item. Consequently, further improvements in the socialist organization of labor must be used in resolving this problem.

Little time remains until the 12th BCP Congress. However, with a full mobilization of forces and means it would be adequate for reaching the necessary and desired successes. This is entirely possible if the party organizations, the trade unions, the Komsomol, the Fatherland Front and the Bulgarian Agrarian National Union promptly develop an atmosphere of high-level organization, initiative and creativity in the work at each work place and within each labor collective. Initiative, creativity, daring and high-level responsibility displayed by everyone everywhere are decisive prerequisites for the maximum utilization of existing opportunities for the implementation of the planned indicators in 1980 and in the entire Seventh Five-Year Plan. This will be the base for even greater successes before the congress and in the next five-year plan. Unquestionably, this time again the party members and the working people will display the necessary understanding of the stricter requirements which are dictated by the need to ensure the further prosperity of our people.

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GERMAN DEMOCRATIC REPUBLIC

DRESDEN BEZIRK RAILWAY PRESIDENT CITES MANPOWER SHORTAGES

Dresden SAECHSISCHE ZEITUNG in German 19 Sep 80 supplement p 3

[Interview with Hermann Demmler, Reichsbahn (Railway System) chief director, president, Dresden Bezirk Reichsbahn Directorate; Meritorious Railway Worker of the GDR; by Joerg Marschner and Ralph Teichmann: "The Railroad and Its New Future"]

[Text] [Question] One frequently hears now the demand that more freight volume be shifted from motor transport to rail transport. Exactly what is behind this?

[Answer] Behind this demand, there are current efforts aimed at effecting--by the most energy-efficient division of labor among the various carriers--a rational utilization of the possibilities offered by the socialist production relations. This year, the Deutsche Reichsbahn [German Railroad System] has already taken over an additional 4 million tons of freight--primarily long-distance transport--in order to reduce motor transport. At the end of August, the volume of freight hauled by the railroad system exceeded by approximately 10 million tons, i.e. a 5.8-percent increase--the volume transported during the corresponding period of 1979. This is a considerable improvement.

During this year's summer holidays, we carried 230,000 children more than in 1979--children who last year had traveled by bus--and we transported them safely to and from their holiday places.

And finally, we have been making arrangements with the travel bureau and the enterprises concerning special trips within the framework of the regular train service offered by us.

[Question] The Deutsche Reichsbahn has always been our largest carrier. But some people have felt that the more flexible and comprehensive motor transport system would be the carrier of the future.

[Answer] At present, the railroad workers of our country are handling almost 50 percent of the total passenger transport and approximately 75

percent of the total domestic freight transport. These shares are being systematically increased. By 1965, the railroad system will have taken over another 10 million tons from the motor transport sector.

[Question] Is this in keeping with the international development?

[Answer] Definitely. The pronounced energy-efficiency of the railroad system is the decisive factor that allows us to speak of a renaissance of the railroad system as it were. In order to transport 1 ton of freight over 1 kilometer, the motor transport sector expends three times as much energy as is consumed by a diesel engine and eight times the amount of energy needed by an electric locomotive. And in comparison to a train pulled by an electric locomotive, the energy expended by a bus is 6 times as high and in a passenger car, even 18 times as high.

[Question] These data alone clearly demonstrate the electric engine's superiority in regard to energy economy. Does this mean we were mistaken in the 1960's, when we opted for an expansion of diesel traction in the GDR?

[Answer] You must view this decision within the framework of its time. There were important aspects that spoke for diesel traction. For one thing, in view of the limitations of the electric energy base at that time, comprehensive electrification of the railroad system was impractical. One should also mention the fact that at that time the enormous investments required for electrification--power lines, pylons, foundations, underground engineering and bridgework, power stations, transformer- and sub-stations--exceeded the capacities of the national economy. Thanks to the republic's increased economic capacity, in a large number of these fields the situation has decidedly improved. And then there is the decisive factor--the oil price rise that began in 1973 and that has been continuing ever since. After all, diesel fuel is obtained exclusively from petroleum. You are probably aware of the fact that on the capitalist markets the oil price has now increased more than 15-fold. Thus electric traction has become extremely attractive; and in this regard, the crucial factor for us was that the electric locomotives operate on energy derived from domestic raw materials, namely from brown coal.

[Question] So we may expect further steps toward electrification?

[Answer] We intend to intensify the high-volume railroad lines so that someday over 20 percent of the republic's railroad network will be operated electrically. Naturally, at this moment I am not yet in a position to present definitive figures for the coming five-year plan, but we are presently discussing electrification of more than 500 kilometers of track. This includes the Dresden-Berlin and Halle-Berlin projects that have already been started and also the electrification of the Berlin-Rostock and Magdeburg-Rostock lines.



[Question] What is the picture in regard to the electrification of the Dresden Railroad Directorate Bezirk (bezirk: GDR administrative unit)?

[Answer] Twenty-one percent of our principal network have already been electrified; by any standard, this is a very high level. Electric locomotives account for 20 percent of our train engines (diesel engines account for 75 percent, and steam engines, for 5 percent) and they produce 50 percent of the transport volume. Surely these are telling figures. We have done a great deal to increase the transport volume and to improve passenger transport: in the Dresden Railroad Bezirk, we not only electrified the Dresden-Schoena and Dresden-Elsterwerda lines in the last few years; since 1970, we have added 222 kilometers of second track, and 93 kilometers of automated lines, thus increasing the transport flow by 20 percent.

[Question] The letters on plan fulfillment that we receive from railroad workers are often concerned with diesel fuel and energy economy. This is hard to imagine: increase the transport volume and reduce input.

[Answer] This year, our plan contingent of diesel fuel is far below that of the previous year. We had planned to reduce consumption by another 5 percent, the equivalent of 2,600 tons. This target has already been exceeded and we have once again raised our sights. I admit that this is really a surprising development. Ultimately, however, this development shows what is possible when our collectives begin to understand complex economic interrelationships and when in our efforts to meet the new requirements we ally ourselves to science.

[Question] Regarding this subject, could you be somewhat more specific?

[Answer] Scientists of the Dresden Transportation College and our own specialists have been developing the so-called energy-optimal operation for the urban and suburban train service. The engine driver accelerates and brakes in accordance with optimal criteria. For this purpose, we have developed on-board computers that were first used on the Berlin S-Bahn [city train]. Alternatively, the drivers rely on route diagrams, until they reach the Dresden and Karl-Marx-Stadt areas, where the on-board computers come into play. But even now the motive power input has been reduced by 20 percent. Through thorough coordination with the Councils and through analysis of the actual transport requirements, we have been able to effect a lightening of 145 passenger train, i.e. to shorten these trains by one or two cars, without impairing the quality of travel. We have thus reduced the energy input by 10 percent. Our technologists and engine drivers have been looking for possibilities of improving the utilization of the extensive electrified track network. By means of electric locomotives, we have been able to effect an above-average increase (14 percent) in the train transport volume, which naturally is a considerable savings of diesel fuel.



[Question] Increasing performance while decreasing energy input is only half the picture. How much manpower will be needed to increase the transport volume--this is the other half. Surely this is a complex question, especially since the railroad passenger often has the impression--e.g. at the ticket office or in regard to the cleanliness of the cars--that manpower is in short supply anyway.

[Answer] The Dresden Railroad Directorate Bezirk presently employs approximately 30,000 railroad workers. In regard to the technological requirements, there is a considerable gap. The problems you mention are of great concern to us, too. And yet, this is the situation we are confronted with: We are not likely to obtain more manpower. Where could we obtain these workers? Rather, what will hold true for us, too, is the following: Fewer workers accomplish more.

[Question] So this means that some problems are going to grow more acute?

[Answer] We intend to solve them by stages. In this connection, I will tell you quite frankly that we are also concerned about problems that outsiders are not aware of. For example, there is the safeguarding of operations at the three large classification yards of Dresden-Friedrichstadt, Karl-Marx-Stadt-Hilberdorf and Zwickau Central Station. This still involves heavy physical labor that has to be done around the clock and under any weather conditions. It is only through the support of the classification crew of the FDJ [Free German Youth]--that constantly keeps 500 young railroad workers at standby--that we are able to insure continuation of these operations. I am emphasizing this because the classification yards are the heart of the railroad system as it were, determining its pulse rate. For this reason, we are energetically trying to promote rationalization. In the last few years, the Dresden Railroad Directorate Bezirk installed 5,000 switch heaters, 63 modern track security systems and 1,000 track brakes so as to reduce the input of living labor. This year, the plan target stipulates the release of 290 workers and we want to exceed this target and release 370. In 1981, we will put in operation at the Dresden-Friedrichstadt freight yard a fully automated switching incline for train classification.

[Question] The majority of the people are naturally interested in passenger transport...

[Answer] We are increasingly using ticket printing machines--introducing over 15 units per year--so as to expedite the ticket office service. At the end of October, 100 Hungarian ticket dispensers will be introduced in the intra-city and suburban transport system of the Dresden area, and beginning in 1981, we will be installing the most advanced technology: the Automatic Dialog Ticket Dispensing Machine which was jointly developed by Robotron and the Transportation College and which has already proved a success in Berlin. At the same time, we are trying further to extend time-saving transport-organizational solutions. I am thinking here of travel on

company identification cards (all enterprises with more than 50 railroad users have already been registered), advanced ticket sales, and the so-called kilometer contingent that has been introduced in January 1980. Under the kilometer contingent system, we may give an enterprise a batch of tickets for 5,000 kilometers of travel and the firm then settles accounts once a month. All these measures will improve the situation and enable us to maintain and improve the quality of travel.

[Question] In conclusion, let us ask you a question in regard to freight transport. What do you expect of the railroad system's transportation clients?

[Answer] If the railroad system is to be utilized to a greater extent, we must open up reserves. The problem cannot be solved by putting in operation more freight cars; this would exceed the capacity of the existing network. The only possibility is a more intensive utilization and a quicker turnaround of the freight cars presently available. The crucial contribution--namely the safeguarding of steady operation--must come from us, the railroad workers themselves. But the shortening of the loading and unloading times is a trouble spot as well. Every enterprise must be fully aware of its responsibilities in this regard. We know that it is not always easy to meet or stay well within the deadlines set. With 16 transport clients that are concentrated in large complexes, we are practicing the Soviet Odessa-Il'ichevsk method, which is characterized by close, comradely cooperation between the railroad system and its clients. And even former "problem children" such as the cellulose plants of our Bezirk have now become good, reliable partners. They have proved that even difficult problems can be solved. This is what we must expect of all of our transportation clients.

[Question] We thank you for this interview and we are extending our best wishes and bon voyage to the railroad workers and their passengers and transportation clients.

#### Interesting Facts About the Railroad Track

With 19.4 kilometers of railroad tracks per 100 square kilometers, the Dresden Railroad Directorate Bezirk is one of the most comprehensive networks not only in the GDR, but also in comparison with international standards. The Dresden Bezirk includes: one hundred percent of Karl-Marx-Stadt Bezirk, 50 percent of Dresden Bezirk, 22 percent of Leipzig Bezirk, and smaller percentages in the Gera and Halle bezirks. Length of track: 1,800 kilometers; if the station track network is included, even 4,100 kilometers; a total of 10,500 switches.

Traffic volume: Daily over 900 freight trains and 1,300 passenger trains carrying 350,000 travelers. The Dresden Bezirk contains Bad Schandau Station, the busiest border-crossing point of the DR system.

Special characteristics: The Dresden Railroad Directorate Bezirk contains approximately 30 percent of all tunnels and bridges of the DR track network. The track network includes 108 kilometers of narrow-gauge track and 3 pioneer railroads (Dresden, Karl-Marx-Stadt, and Plauen).

Junctions: Upper Elbe Valley with Dresden as its center; Karl-Marx-Stadt, and the Zwickau area. Large classification yards: Dresden-Friedrichstadt (the largest in the republic), Karl-Marx-Stadt-Hilbersdorf (the yard located at the highest altitude and thus especially exposed to the weather), Zwickau and Riesa.

Labor force: The 235 administrative departments of the Dresden Railroad Directorate Bezirk employ approximately 30,000 railroad workers. Almost every fourth of these workers is a member of the Communist Party.

Construction has begun on the Niederwartha Elbe Bridge near Dresden; the objective is to install a second track and to return the bridge to full service. With the second schedule change in 1981, the first track will be fully operative. In 1983, upon its final completion, the Dresden-Radebeul line will be closed to freight trains--a measure insuring improved suburban transport. With the aid of the Dresden city fathers, we are continuing the reconstruction work at Dresden Central Station. In return, the DR's Central Track Construction Works will build the trolley line in the Dresden-Gorbitz housing construction complex.

With the second schedule change in 1981, the second track of the Coswig-Meissen line will be put in operation. The bridge construction work in preparation for the construction of a third track between Dresden and Radebeul is likewise intended to improve suburban transport.

During the next five-year plan period, we will begin the four-track expansion of the Dresden Central Station-Pirna line; the bridge construction work has already been started.

In 1981, a transformer station will be put in operation in Bad Schandau--a measure insuring electrification of the international passenger trains traveling through the Upper Elbe Valley. Aside from considerable diesel fuel savings, this project will serve significantly to reduce environmental pollution by noise and exhaust fumes.

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CULTIVATION OF IMPORTANT CROPS DISCUSSED

New Winter Barley Varieties

East Berlin BAUERN-ECHO in German 11 Sep 80 p 7

[Article by R. Schoenleiter, A. Haensel, and Dr G. Kratzsch, Grain Research Institute, Bernburg-Hadmersleben; and Dr G. Szigat, Plant Breeding Institute, Guelzow-Guestrow: "New Winter Barley Varieties To Be Effectively Utilized; Recommendations on Planting Time, Cultivation Suitability, and Necessary Cultivation Technique"]

[Text] A broader foundation was created for an increase in and stabilization of winter barley yields following the licensing of the winter barley varieties called "Erfa," "Dilana," and "Leuta." In order thoroughly to utilize the yield potential of these varieties, it is necessary, in addition to standard-based cultivation, to observe the cultivation hints specifically worked out for each variety in all of the KAP [cooperative crop production department], LPG [agricultural producer cooperative], and VEG [state farms]-crop production. Cultivation standards for each specific variety constitute cultivation recommendations relating to the special requirements of the individual varieties.

The variety called "Erfa," which was authorized for use in 1979, has already proved its worth during cultivation and already takes up a significant portion of the winter barley cultivation surface. Another two varieties were cleared for cultivation during that year. The "Dilana" and "Leuta" varieties effectively supplement the winter barley assortment. It is possible by growing several varieties to increase the growing security because it has turned out, under differing weather conditions in various years, that special varieties always stood out in the various cultivation areas. The planting of several varieties is urgently recommended in case of a higher cultivation concentration.

## Ear Type--Stand Type

Regarding cultivation suitability and cultivation technique, the following hints are given for the new varieties.

The "Erfa" variety is suitable for cultivation on the better D [double seed-drop?] sites as well as the loess and V [prepared mixture?] sites. Here the yields were higher than in the comparison variety according to the results of the Central Variety Management Station. It reveals better resistance which emerged especially in 1980. "Erfa" is an ear type. It achieves its high yields primarily through the individual ear yield. Its tillering capacity is somewhat less than in the case of "Vogelsanger Gold." We must advise against increasing the seed volume to achieve higher stand densities because individual ear development suffers as a result of that. Staying within optimum planting deadlines is very important in achieving high and steady grain yields. The following time intervals are considered to be the best:

D<sub>4</sub>-D<sub>6</sub> sites = 10-20 September;

Good soils, such as loess<sub>1-2</sub>, V<sub>1</sub>-V<sub>3</sub> sites = 15-25 September;

Less good loess and V sites and foothill locations = 5-20 September.

The "Dilana" variety stood out during the testing years primarily by virtue of its good yield on loess and V sites. For the average of all testing years and places (the experiments conducted by the Central Variety Management Station) were about 10 percent above those of the comparison variety in terms of their yields on the loess and V sites. They thus produced somewhat even better yields than "Erfa." The new variety offers good winter resistance. In terms of this characteristic, it points up a definite improvement compared to all authorized varieties. "Dilana" is an ear type somewhat like "Erfa" and the tillering capacity can be estimated to be the same as that of the other variety. What we said for the "Erfa" variety also applies to the planting time here. The resistance is between medium and good, roughly as in the case of "Vogelsanger Gold" and somewhat less than in the case of "Erfa." To guarantee high and steady yields, it is recommended that we use Camposan.

The "Leuta" variety proved to be particularly fruitful on the D sites. For the average of all testing years and locations, it yielded 10 percent more grain as compared to the standard and 7 percent more when compared to "Valya." The yields were not as stable on the loess and V sites because their resistance is only average. Their cultivation therefore is recommended especially on D sites. Winter resistance is average and therefore adequate for GDR weather conditions. "Leuta" is a stand type and offers good yields through high stand density. With only average stand resistance, the use of between 3.0 and 3.5 liters per hectare of Camposan in this variety is particularly effective during the sprouting stage for yield stabilization.



The best tillage dates are between 10 and 20 September for "Leuta" on good D locations and between 5 and 15 September on the less good D sites.

All varieties respond to delayed planting with reduced yields (Table 1); the differences between the varieties here are given only in terms of degrees. The belated grain harvest this year calls for a major effort to meet the planting deadlines. Objectively speaking, there will be problems here and there. In order somewhat to reduce the yield losses after optimum planting which can amount to 20-30 kilograms per hectare and day—or considerably more if planting is further delayed than that—it is advisable to increase the seed planting volume by 3-4 grains per day after the optimum deadline (as a rule of thumb).

The seed volume standards, depending upon natural production conditions, are as follows, if the planting deadlines are met:

Favorable conditions:

280-300 germination-capable grains per square meter;

Average conditions:

300-340 germination-capable grains per square meter;

Unfavorable conditions:

340-360 germination-capable grains per square meter.

These recommendations apply to all varieties mentioned; the differences in the tillering in the case of these varieties do not require any differentiated seed volume recommendations.

Table 1. Effect of Planting Time on Grain Yield, Relative Output, Early Planting Deadline = 100; Average 1979-1980, 3 Locations

Planting deadline	Variety				
	Vogelsanger Gold	Erfa	Dilana	Leuta	x
10-15 September	100	100	100	100	100
20-25 September	90	95	92	97	94
5-10 October	84	89	83	90	86

#### Seedbed Quality

Good-quality seedbed preparation is very important for good winter barley stand development. Delayed planting and deficiencies in seedbed preparation have a particularly disadvantageous effect. The quality of field preparation must not be neglected especially when the planting is objectively delayed.



Weed control is necessary in autumn to utilize the yield capacity of the varieties in the case of winter barley. The selection of herbicides here depends on the rate of weed growth at the particular site or field and is not specifically variety-related.

In summary we can say that three new winter barley varieties are available for cultivation in practice in the form of the "Erfa," "Dilana," and "Leuta" varieties which offer steady yields if the specific cultivation-technique references are complied with.

#### Winter Wheat Planting Time

East Berlin FELDWIRTSCHAFT in German Vol 21 No 9, Sep 80 pp 425-427

[Article by H. Witt and G. Beese, agricultural specialists, Central Office for Plant Varieties, Nossen; Dr G. Kratzsch and Prof Dr Sc D. Ebert, Grain Research Institute, Bernburg-Hadmersleben; Prof Dr Sc N. Makowski, Plant Breeding Institute, Guelzow, GDR Academy of Agricultural Sciences: "Planting Time for Winter Wheat"]

[Text] Wheat planting at the time that is best in agricultural engineering terms--as in the case of other cereal varieties--essentially determines the yield volume and the yield stability. If we stay within the deadlines that are best in terms of agricultural engineering, the assets used (planting time, fertilizer, stalk stabilizers, etc.) will be utilized most effectively. Late planting will as a rule lead to yield losses even if we use more production resources.

Wheat planting necessarily extends over a longer interval of time due to utilization of a broader range of previous crops with differing and often later field clearance, as well as because of reasons having to do with labor management and farm management. In our assortment here however we must pay attention to the interrelationships between the previous crop, the planting time, and the variety and we thus have an opportunity, through variety selection, to consider the specific conditions and to tap our potential additional yields.

#### Varieties Respond Differently to Planting Time

It was repeatedly confirmed in experiments lasting several years and in the course of practical experience, that planting time delays caused yield losses. After extensive investigations at the Central Variety Management Station at Nossen and the Bernburg-Hadmersleben Cereal Research Institute, it turned out however on the other hand that there are definite variety differences here. As an essential finding of these investigations which extended over several years and covered a larger number of sites (tables 1 and 2), we must emphasize that the "Alcedo" variety responds to early planting (early to middle October) with a definite additional yield. Considering the planting time experiments conducted in the past with the older varieties, "Alcedo" is the first variety which has

this positive property connected with the utilization of early planting conditions. On the other hand of course the yield losses following planting time delays are greater than in the other varieties, especially compared to the varieties from Mironovka. There is thus no truth to the frequently heard statement to the effect that the "Alcedo" variety tolerates late planting. This is also a misinterpretation of the statement given in the variety certificate. It is noted there that the yields decline after delayed planting also in the case of "Alcedo," but that, because of its high capacity, the variety nevertheless in absolute terms will produce the highest yields.

In the case of the Soviet varieties, the advantages of early planting are not as clear and on good wheat soils they are partly not present at all (see Table 1), especially in the case of "Mironovskaya 808." The reason for this among other things is due to the fact that, after early planting, there is considerably increased danger of crop stand flattening with the attendant negative effects on the yield (Table 2). There is also increased danger of greater infection pressure from base diseases especially after grain [cereals] as previous crops. The varieties from Mironovka are less tolerant regarding this disease; the stepped-up autumn growth of wheat following earlier planting promotes the spread of stem break so that the utilization of the yield potential is restricted. Even after good previous crops, a too early and above all too dense planting proved to have unfavorable effects. In this case the wheat grew too much, the stand density exceeded the optimum for the specific variety and in spite of the use of CCC, one could no longer be sure that major crop stand flattening could be avoided.

The differing reactions of the varieties to the planting time, reported here on a long-term average, were present during all testing years in the same direction although they were somewhat graduated. The results therefore are quite good.

#### Recommendations and Hints Regarding the Tapping of Yield Reserves

The following recommendations and hints can be derived from the results and experiences gathered.

1. The Soviet varieties must not be planted after summer barley and winter rye as frequently used crops planted before wheat. The earlier planting, which is possible after these previous crops and which is advantageous for yield development, cannot be recommended in these varieties because the danger of plant base disease likewise increases greatly. Under these conditions one must plant "Alcedo"; if this variety is planted at the right time, we can reduce the unfavorable value of cereal crops as previous crops (Table 2). In the case of this variety, which is relatively tolerant toward stem break, it is possible most extensively to avoid damage resulting from the use of CCC and possible fungicide treatment (pest watch) or yield losses resulting from plant base diseases.

Table 1. Planting Time Responses of Winter Wheat Varieties by Site Groups, Grain Yields dt/ha [decitons per hectare] (at 86% Dry Matter)--Average 1975-1979 (Data from Central Variety Management Station)

1 Sorten	2 D-Standorte (n = 12) Aussaat			3 Lb-Standorte (n = 24) Aussaat			4 V-Standorte (n = 10) Aussaat			5 Mittel aller Orte Aussaat		
	I	II	III	I	II	III	I	II	III	I	II	III
Mironovskaya 608	55.2	-2.5	-4.0	54.8	-0.7	-0.5	46.8	-2.0	-0.8	52.4	-0.2	-0.6
Miron. Jubileynaya	54.7	-2.2	-4.0	54.6	-1.0	-1.2	52.2	-1.2	-3.2	54.3	-1.4	-2.9
Ilyinskaya	53.2	-1.6	-3.1	56.4	-1.3	-1.0	51.1	0	-2.9	54.4	-1.2	-2.3
Alcedo	57.9	-4.9	-9.1	68.4	-4.0	-7.0	59.8	-4.2	-9.5	63.7	-4.4	-8.4
Almus	55.8	-3.6	-6.6	63.0	-1.4	-4.4	57.2	-0.6	-5.5	59.9	-1.5	-5.3

Key: I--Planting time: early to middle October; II and III Planting time difference with respect to II Planting time; II--Planting time: end October; III--Planting time: mid-November; 1--Varieties; 2--D-sites (n = 12); 3--Loess sites (n = 24); 4--V-sites (n = 10); 5--Average of all locations; 6--Planting.

Table 2. Effect of Planting on Yield from Two Wheat Varieties after Differing Previous Crop (Long-Term Average; Data from Cereal Research Institute)

1 Aussaat	2 Ertrag dt/ha		3 Standf. (8-1)		4 Alcedo Ertrag dt/ha		5 Standf. (8-1)	
	Vortrucht		Erbsen		Vortrucht		Getreide	
Sept./Okt. Wende 6	54.2	4.2	71.2	7.0	54.2	4.2	71.2	7.0
Mitte Oktober 7	62.0	5.5	70.9	7.7	62.0	5.5	70.9	7.7
Anfang November 8	58.3	6.0	65.2	7.4	58.3	6.0	65.2	7.4
Sept./Okt. Wende 1	54.5	4.5	67.6	6.8	54.5	4.5	67.6	6.8
Mitte Oktober 7	55.8	5.2	62.1	7.2	55.8	5.2	62.1	7.2
Anfang November 8	53.9	6.2	58.6	7.3	53.9	6.2	58.6	7.3

Key: 1--Planting; 2--Yield; 3--Resistance; 4--Peas as previous crop; 5--Grain as previous crop; 6--End September-start October; 7--Mid-October; 8--Early November. Both varieties were treated with 4 liters per hectare of bercema CCC.

Table 3. Average Yellow Ripeness Date of Wheat Varieties as a Function of the Planting Time (1975-1979), Excluding 1976; Data from Central Seed Management Station)

1 Sest. zeit	2 Sorten Mironow- skaja 808	Mironow- skaja jubilejnaja	Plitach- jowka	Alcedo
I	29.7.	29.7.	29.7.	31.7.
II	31.7.	30.7.	31.7.	2.8
III	1.8	31.7.	1.8	3.8

Key: 1--Planting time; 2--Varieties.

2. Even after the better previous crops, the favorable reaction of the "Alcedo" variety to early planting should be used much more to tap the yield reserves. At this time, the progress of "Alcedo" tilling has fallen considerably behind progress in the varieties from Mironovka, as is demonstrated by a random example taken for the year 1979 (Figure 1). Considering the heavier emphasis on earlier planting of "Alcedo," one must however consider one specific problem. Early planting is also connected with earlier ripening (Table 3). We can then have an overlap of full ripening with the other varieties planted. In the extreme case (early planting--"Alcedo," later planting of Soviet varieties) all wheat stands would ripen at the same time--naturally considering the spread resulting more or less from the location of the fields, the quality of the soil, the previous crop, and the yield level. The heavier emphasis on the early planting of "Alcedo"--on account of higher yields--also in place of the Soviet varieties must thus be implemented while considering the specific farm conditions with a view to guaranteeing a complete harvest during the optimum threshing time span. Here, the overall cereal variety ratio also plays a role in addition to the variety shares in wheat.

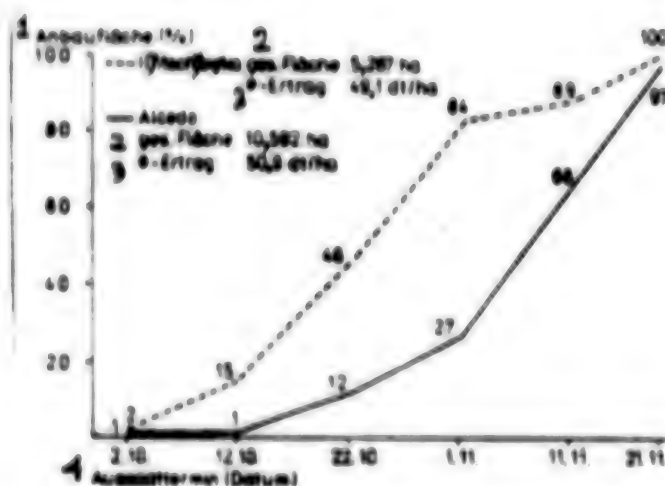


Figure 1. Planting time distribution for winter wheat varieties in Leipzig Bezirk (1979 card file, sites: loess<sub>1-4</sub>). Key: 1--Cultivation area; 2--Total area; 3--Average yield; 4--Planting deadline (date).

3. The fundamental target must be to complete the wheat planting by the end of October. If objectively conditioned planting is still necessary in November, then "Alcedo" should be used in spite of the increased yield decline (except in the northern bezirks). "Alcedo" has the property of tillering relatively rather well even in the late winter. The varieties from Mironovka, in case of an early onset of winter, with a few open time intervals, no longer attain the tillering necessary for at least average yield formation. The relatively minor yield declines shown in tables 1 and 2 for the Soviet varieties in case of late planting must not cause us to draw the wrong conclusions--in the light of practical conditions. During experiments, late planting as a rule is done in a well-outlined seedbed; from that viewpoint, the conditions are favorable. But under practical conditions, late planting is often connected with difficulties in the preparation of a good seedbed.

4. In terms of sites, we have the following planting time recommendations regarding the specific varieties.

The cultivation of Soviet varieties prevails in the northern bezirks. Here they reveal a high output capacity and, after late-cleared previous crops, especially after sugar beets, they attain the highest yields. "Mironovskaya 808" is particularly significant for transition locations (boundary locations) and under late-planting conditions. "Alcedo" in this case has little significance. Cultivation on better soils and planting early in October are recommended here.

In the central bezirks, on good wheat soils, "Alcedo" should be given priority in cultivation during the first half of October after cereals and also after leaf crops as previous crops. The Soviet varieties of "Mironovskaya Yubileynaya" and "Ilyichyovka" [Ilyichevka?], when planted during the

second and third 10-day periods in October, offer high and rather stable yields. This planting time interval also applies to the "Almus" variety which is planted on a smaller area. "Alcedo" should be used in case of November planting.

On medium soils, the relationships are similar; the only thing is that in this case the planting time intervals should be started about 5 days earlier. Instead of "Almus" we should plant the "Remus" variety on the D sites.

Timely planting (25 September until 10 October) and good previous crops are prerequisites for successful wheat production on so-called transition soils. That applies to the "Mironovskaya 808" and "Alcedo" varieties which are equally suitable under these conditions.

In the southern bezirks, the Soviet varieties are planted on smaller areas, especially in the foothills. Heavier precipitation here increases the danger of crop stand flattening so that excessively early planting of Soviet varieties entails many risks. Planting between 15 and 25 October after good previous crops will bring the most reliable yields. This time interval also applies to "Almus." Major yield reserves exist here particularly in the utilization of the favorable response of the "Alcedo" variety to early planting during the first half of October.

#### Summary

On the basis of experimental results and practical experiences, the article spells out planting recommendations for the winter wheat varieties cultivated in terms of site differentiation.

#### Potato Production

East Berlin FELDWIRTSCHAFT in German Vol 21 No 7, Jul 80 pp 305-308

[Article by Prof Dr Sc G. Ulrich, Potato Research Institute, Gross Luesewitz, GDR Academy of Agricultural Sciences: "Potato Production in 1980--Basis for Development of Potato Industry from 1981 to 1985"]

[Text] The 1980 harvest marks the final accounting for the five-year plan also in potato production. The workers, cooperative farms, and scientists in socialist agriculture have established themselves the goal--by way of preparation for the Tenth Congress of the SED--to confirm progress over the past 3 years through a high yield combined with good qualities and by attaining higher competition targets at the same time to achieve a good starting position for the tasks during the period until 1985.

During the period of time ahead of us, we must in particular try to achieve higher yields in connection with the following tasks:



Keeping our planting potato stands healthy and achieving the planned multiplication of all varieties and maturity groups,

Harvesting strong-skinned tubers coupled with full utilization of weather conditions favorable for field clearing,

Preservation and promotion of quality during harvesting, drying, storage, and processing,

Using waste from edible and planting potato processing and portions for animal feeding with low nutrient losses and low energy expenditure in livestock production.

We must guarantee a supply of higher-quality potatoes through the even more consistent use of scientific-technological progress and lessons learned and we must make an important contribution to the further economic output increase in the GDR.

The planting material used this year on around 500,000 hectares revealed a further improvement in the health index. The measures instituted in recent years, ranging from breeding via preliminary phase production all the way to edible potato fields, for the purpose of stepping up planting material production are now producing initial results. We ought to continue these efforts, but with additional expenditures in the preparatory stage area because the entire country's production will always be decisively influenced from this point.

Good results which were achieved by planting material produced in recent years for some edible potato varieties with a shorter vegetation time must now also be transposed to varieties with a higher dry-substance content and to varieties in the medium-late ripening group. In multiplying the more vulnerable dry-substance-rich varieties we must undoubtedly expend more to reduce tuber damage and to prevent potato black-leg and rot. The advantages to the national economy deriving from the processing of varieties rich in starch however are so great that these extra efforts are fully justified and for example should also be accordingly considered in categorizing the planting material in certain price groups.

The new varieties which were authorized during this five-year plan, such as "Auralia N," "Karpina," "Karella N," and "Karmona N," which are to be followed by additional and better ones, will help us increase the number of varieties worth cultivating, including also those with nematode resistance and edible quality and to close the presently still existing gaps in the assortment. The assortment restrictions which developed particularly over the past 2 years in some enterprises to the use of just two varieties endangers the stability of yields. It is better if each enterprise cultivates between three and five varieties with differing ripening time.

## Planting and Care

Planting and care measures were aimed at achieving full and compact stand growth. Now the important thing is to achieve undisturbed assimilation until the ripening of the particular variety. This includes constant stand watching with the required plant protection measures.

The continuation of selection is an absolute critical main point on all planting material areas. It will decide not only the success of all prior efforts to achieve higher multiplication rates but it also influences the immediate yield and the quality of the following growths.

The most important thing here is to reduce viroses and black-leg as well as resulting damage. But we also have every reason to devote more attention to foreign substance growth probably as a consequence of increased full-term growth in recent years. This assignment among other things means that the stands must be inspected during the blossoming time for any deviations in the blossom color or blossom structure and if necessary the stands must be cleaned very carefully.

In coordination with the seed and planting material VEB, it will be possible this year to place the selected perennials according to regulation in the stands if disease carrier control was performed this year during the steps from V3 on down. On these surfaces, we can thus increase the output of the selection forces and that is supposed to have a generally higher health index in the multiplication areas as the final result.

In connection with phytophthora control, we achieved five times the treatment volume in 1979 for the average of the GDR. Nevertheless many enterprises still reveal serious shortcomings which could cause unexpectedly heavy damage in GDR potato production. Every degree of disease coverage contains the danger of massive tuber infections (brown rot) and total coverage. The application of fungicides may be restricted only if the macro-weather situation reveals dryness throughout with a relative air humidity of less than 75 percent (typical in 1976).

Cool summer temperature likewise should not cause any neglectful attitude because they do not rule out an increase in fungi. The important thing is to continue fungicide treatments until 10 days prior to weed-killing or until natural ripening. Otherwise, there will almost always be late infestation which of course would hardly reduce the yield but which does lead to tuber infections. Even small proportions of brown-rot have a serious effect because they facilitate entry into the tubers for the rot virus which is almost always adequately present. The damage situation in case of open-field storage then often no longer reveals the shortcomings in phytophthora control as the real cause.

Depending upon how the weather situation develops, the important thing is to make maximum use of the available sprinkler systems for potatoes from the bud--stage on, based on EDP sprinkler guidance reports. The water

volume per administration should be between 20 and 30 millimeters depending upon the soil type. For phytophthora control, we must, in case of sprinkling, use relatively stable preparations such as bc Maneb 80 or bc Mancozeb 80.

#### Weed-Killing

Weed removal should restrict virus migration into the tubers, it should deprive weed rot of its development area, it should facilitate fully-mechanized harvesting, and it should guarantee the harvesting of strong-skin tuber portions. These are sufficient reasons for devoting much attention to these measures and further increasing the effectiveness of their implementation. Experiences in recent years showed however that--except for planting potatoes and phytophthora infestation--it makes no sense to eliminate the weeds prior to natural yellowing if the field can be harvested only later than 3 weeks after this measure. In such cases, we are simply giving away any yield increase, the area becomes overgrown with weeds, the screen-action capacity of the soils becomes poorer, and the tubers are infested with Rhizoctonia and again become more vulnerable to rot because of the lenticells. The large proportion of early-ripening varieties greatly increased this discrepancy in some enterprises which we should counteract also through the proper proportion of medium-late varieties. The full utilization of vegetation time naturally is particularly desirable in connection with the production of starch and fodder potatoes.

Earlier we called attention to the possible disadvantages deriving from weed killing which in terms of specific details would be too early; nevertheless, the requirement for an early start of land clearance and for a high clearing tempo in September is very important.

#### Timely Fully-Mechanized Harvest

Edible potatoes and planting potatoes with excellent quality characteristics can be supplied with the required reliability only if their fully-mechanized harvest is accomplished in combination with higher air and soil temperatures as well as only moderately moist soils. Because such conditions on a long-term average no longer prevail in October, we must continue to aim for the full utilization of the favorable weather intervals starting at the end of August. As the soil temperature goes down, internal and external tuber damage is caused and the danger of rot-causing infections increases. Besides, along with a deterioration in natural conditions, the surface-area yield declines and the land clearing losses go up.

The discovery made by the specialists in Cobbeisdorf--"better to clear the land dry and warm during the night in September than in October, during rain and cold, in daytime"--clearly outlines the problem complex encountered here. A corresponding share of varieties, which can be harvested starting

in the end of August with strong skins, is therefore correct particularly on medium and better soils. The important thing is to make even better use of this advantage also through the brisk organization of the straw harvest and other field work to be done during that span of time so as to achieve a rising quality in planting and edible potatoes for the future.

In this article it is impossible to go into all of the possibilities for the further improvement of the fully-mechanized potato harvest. It seems to me to be particularly important to reduce the severe drop which takes place when the harvest material is placed on transport vehicles. The habit of not using the regulating possibilities on the elevator and running the whole thing primarily at maximum height adjustment is something that must be counteracted. Another thing that proved to be a good idea was to cushion the bottom of the transport vehicles in one place in order to reduce the severe impact losses at the start of the filling process.

The width of tractor tires during wheel removal and in front of the harvester combine should not exceed 12 inches and the gauge [wheel base] of the vehicles must absolutely agree with the row interval during the start of clearing operations. We must prevent a portion of the tubers from being damaged even before the actual clearing phase. These obviously natural things do not yet prevail everywhere.

#### Follow-Up Harvest Treatment

The results of loss and quality tests must therefore immediately be analyzed with the particular work shift and they can considerably help discover and eliminate the causes of losses and damage which may vary greatly in each specific case. But even in case of very precise and conscientious work by all involved, we must at this time still assume that harvest material cleared in a fully-mechanized manner will, as a function of the particular conditions, contain damaged tubers and will be infested with disease viruses. To prevent or reduce any follow-up damage, immediate harvest follow-up treatment is therefore always necessary. This calls for establishing agreement between the daily harvesting volume and the storage quantity and also fundamentally maintaining only temporary storage in field locations that cannot be aired.

It is particularly advantageous if drying and injury healing are accompanied by the most extensive possible avoidance of additional mechanical stresses immediately after harvesting.

Clearing with little damage and good harvest follow-up treatment are very important measures to guarantee a supply with high-grade edible potatoes and supply of efficient planting potatoes. Good drying conditions over the past 2 years--where failures of omission did not always lead to serious consequences--must not lead to the neglect of this important phase in the entire operation. Wherever processing phases must be carried out as a function of the site and the technology prior to storage, particularly



careful handling of tubers is very important. The requirements for maintaining health out in the field and for the weather at harvest time likewise are high in connection with this kind of technology. Where these prerequisites cannot be fully implemented, complete processing of planting potatoes should be combined with a chemical rot control agent or we should at least accomplish harvest material storage in case of varieties which are more difficult to multiply (those rich in starch and the medium-late ones).

To reduce the mechanical stress on the potatoes in combination with the required separation and conveyor processes, good rationalization solutions have been developed in recent times in addition to simple measures for the reduction of the drop height and the necessary cushioning. Here we might include the use of the cable receiver conveyor K-202, for example, at the ALV [Arable Land Experimental] facilities in Kroepelin, Bad Doberan, Bastorf, and Wuepkendor. Here we might also mention the separation elements for cutting off excessive admixtures in the ALV facilities at Luessow, Muencheberg, Hinsdorf, and others, as well as simple installations for the preliminary selection and elimination of rotted tubers at the start of processing and conveyor lines, for example in Broderstorf.

#### Storage and Feeding

Good storage results over the past 2 years show that, thanks to the responsible work done by the warehouse managers and field storage supervisors, we also have an increasingly better control of air conditioning during the main storage phase. The increase in the share of two-channel field storage facilities over the next several years will make ventilation and air conditioning even safer. In achieving more effective ventilation the important thing is also to analyze and broadly apply the positive lessons learned in a series of ALV systems for the utilization of natural air movements in drying and air conditioning. Here we have possibilities for considerable energy savings.

As a result of a further stabilization of yields, larger volumes of potatoes will be available for use in feeding. Direct feeding of fresh-steamed potatoes to hogs and raw potatoes to beef cattle has absolute priority. In this way we can considerably reduce the nutrient losses as compared to conservation and we can save energy and costs. We should above all increase the use of raw potatoes in beef cattle fodder because we can replace about 1 kilogram of grain with 5 kilograms of potatoes. The implementation of such undertakings presupposes that, first of all, all harvested sections will be stored in big field storage units and will be subjected to proper harvest follow-up treatment. Silo storage is a good idea only if we have rot-endangered portions which can no longer be stored out in the field. Overall we can say that, if we use the sorting waste from edible and planting potato production and if we use the portions available for animal feeding, we will be able over the next several years to achieve an effectiveness increase which will be very significant in the national economy and that should persuade us to devote more attention also to the development and supply of the material-technical requirements for potato use in livestock production.



DEVELOPMENT, FUNCTION OF AGROCHEMICAL CENTERS SURVEYED

Moscow/Berlin INTERNATIONALE ZEITSCHRIFT DER LANDWIRTSCHAFT in German No 4,  
Jul-Aug 80 pp 330-332

[Article by Prof Dr R. Wabersich and Dr H. Warzecha, Agriculture and Food Industry College, Bernburg: "Agrochemical Centers--Productive Joint Facilities of the Agricultural Producer Cooperatives (LPG) and State Farms (VEG)"]

[Text] Agrochemical centers (ACZ) were established in the last 10 years to serve agricultural producer cooperatives and state farms of the GDR socialist agriculture as joint facilities providing agrochemical and transportation services. The ACZ's, an element of the SED Marx-Leninist agricultural policy, were established in accord with principles governing Lenin's cooperative plan as a guarantee that each step taken will fit the existing developmental level and have the consent of cooperative farmers and workers. By their nature the ACZ's continue to be joint facilities providing services on instructions of LPG's and VEG's. These remain fully responsible for the entire production process.

Today 256 ACZ's provide highly efficient services to their cooperative partners fulfilling their tasks in the reproduction process by division of labor. Depending on natural and economic conditions the proportion of their contribution to production can amount to a full 15 percent of the work time needed to operate a 5,000-hectare LPG. In individual cases the proportion is even higher. This led to further strengthening of fraternal cooperation between the ACZ's, the LPG's and the VEG's.

The Concentration and Output Reached

The ACZ's developed from agrochemical brigades and departments of farmers' trade cooperatives. In accord with a resolution of the Eight SED Congress (1971) their establishment was completed in the main by 1975.

[Table on following page]

Table 1. Development of GDR agrochemical centers

	<u>1970</u>	<u>1973</u>	<u>1975</u>	<u>1976</u>	<u>1978</u>	<u>1979</u>
Agrochemical brigades of BHG's <sup>1</sup>	250	82				
ACZ as BHG department	122	64	32	1	-	-
ACZ <sup>2</sup>		186	259	267	257	256

1. Farmers' trade cooperatives

2. ACZ as autonomous joint facility serving the LPG and VEG

The degree of concentration reached by the establishment of 256 ACZ's serving an average land area of 22,700 hectares is sufficient to permit rational organization and efficient discharge of the required services (Table 2). Also here the postulate of the Eighth SED Central Committee Plenum calling for "consolidating accomplishments and raising the output of agricultural enterprises by intensification and mobilization of all inner resources"<sup>\*</sup> has been met.

Table 2. Grouping according to ACZ land areas served in 1979

<u>Land area served in 1000 hectare units</u>	<u>Number of enterprises</u>	<u>Percentage</u>	<u>Land area served Percentage</u>
In excess of 50	3	1.2	2.9
40-50	10	3.9	8.6
30-40	34	13.3	19.2
20-30	101	39.5	41.6
10-20	103	40.2	27.0
Less than 10	5	1.9	0.7
Average 22.7	256	100.0	100.0

\* Eighth SED Central Committee Plenum, Dietz Verlag, Berlin, 1978 p 35

In 1978 agrochemical centers provided the following services:

Liming	1.0 million hectares
PK-fertilizing	3.9 million hectares
N-fertilizing	8.2 million hectares

The ACZ's have been providing complete services including liming and the application of phosphate on land areas specified by computerized fertilization guidelines for years. The application of nitrogen fertilizers by ACZ's has reached 84 percent of the existing need.

The second application of nitrogen fertilizer on winter cereals is of crucial importance and is being accomplished by aerial spraying to the extent of 60 percent.

Crop protection services have also increased. In 1978 these services were provided for a land area 8 million hectares in size.

Increasingly, the ACZ's are also providing additional services on order of their partner enterprises such as the removal of solid and liquid manure and composting. Here the LPG's and VEG's proceed on the principle of assigning additional tasks to the ACZ's only if these have the personnel, material, technical and organizational prerequisites for the tasks.

The transportation services provided by the ACZ's, which have developed promisingly since their start in 1972, have continued also in the years 1977 and 1978 (Table 3). These services amount to almost half of all transportation services needed by agriculture and the foodstuffs industry. About 13 tons were transported per hectare of land area served.

Table 3. Development of volume of transportation services provided by ACZ's in percent

	<u>1973</u>	<u>1977</u>	<u>1978</u>
Transportation services rendered to agriculture and the foodstuffs industry	65.0	81.0	82.8
Transportation services rendered to other sectors of the national economy	35.0	19.0	17.2

#### Economic Results

In every case good cooperative relations between partners have proven to be a crucial prerequisite for economic success. This includes mutual agreement on plans, contracts and prices which are in line with expenditures incurred as well as compensation of the ACZ's according to the quality of the service rendered.

**Table 4. Development of selected ACZ economic indicators from 1975 to 1978 in percent**

	<u>1975</u>	<u>1976</u>	<u>1977</u>	<u>1978</u>
Per ACZ worker	100	113	124	131
Gross product in million marks	100	116	126	138
Fixed assets in million marks	100		157	172
Fixed assets per worker in 1000 marks	100		127	130
Gross product per worker in 1000 marks	100	102	102	105

In recent years socialist agricultural enterprises have achieved further economies by decreasing expenditures in ACZ's and by limits imposed by state organs on negotiated prices. Table 4 reflects the economic development. The results achieved in recent years, such as the 8 to 9 percent increase in the gross product between 1976/77 and 1977/78, offer clear evidence of increased efficiency in ACZ's. With that no marked increase has occurred in the fixed assets per worker and per 100 marks of gross product in the last 2 years. At the same time the 1978 costs were further reduced compared to those incurred in 1977. The increased efficiency of agrochemical and transportation services rendered is also reflected in the cost effectiveness trend of agricultural production. The following measures contributed to the steady increase in efficiency and especially to cost reduction:

--Preparing rationalization schemes on the basis of experiences gained in advanced enterprises. The introduction of modern means and methods in crop protection such as the establishment of stationary and mobile mixing and filling stations in chemical fertilizer depots and transfer points and the shortening of idling time in transportation by improved coordination of loading and unloading;

--Organizing comparisons between individual enterprises and exchanging experiences aimed at acquainting workers with efficiency standards achieved in advanced enterprises;

--Ensuring the productive use of working time and means of production by shift work, comprehensive mechanization combined with good coordination with the LPG's and VEG's;

--Improving the care for and maintenance of machinery and tools especially by improved protection against corrosion and preventive maintenance of machinery;

--Rewarding managerial personnel and mechanics according to output and quality of work. To that end the Ministry of Agriculture, Forestry and Foodstuffs Industry published guidelines for ACZ's aimed at ensuring high-quality work in the performance of fertilizing and crop protection services.

## Intensifying Cooperation Between ACZ's and the LPG's and VEG's

As joint facilities serving LPG's and VEG's the ACZ's have reached a high standard in the use of agricultural chemicals and their application. To that end various forms of cooperation involving the democratic organs of the ACZ, the meeting of representatives and the ACZ board as well as other successful management, planning and organizational methods were developed between ACZ's and the LPG's and VEG's.

The following measures have proven successful:

- Joint coordinated annual planning of the volume of required services;
- Coordination of harvest plans with the planned implementation of services at specified times together with the prearranged use of machinery in shifts and the reciprocal allocation of work brigades, especially of transportation brigades to harvesting teams;
- Operative coordination of implementation of fertilization and crop protection services in joint meetings of ACZ department heads and brigade leaders with LPG and VEG production managers and specialists for fertilization and crop protection with managers of the production enterprises assuming responsibility for the execution of these services;
- Reciprocal coordination of and assistance in the implementation of measures designed to improve the working and living conditions of cooperative farmers and workers.

Analyses of results achieved by advanced ACZ's reveal that cooperation between the ACZ's on one hand and the LPG's and VEG's on the other can be improved in these aspects: Crucial for further improvement of the application of chemical fertilizers is compliance with computerized fertilizing recommendations as the basis for decision-making on the quantity to be applied and form and time of application. The computerized data base has been broadened extending the calculation of optimum quantities of fertilizers to be applied from 53 to 207 crops and plantings. (In the GDR the enlarged computerized project is known as Fertilizing System 79 abbreviated to DS 79). Optimum amounts of fertilizers to be applied are given comprehensively including macro elements, trace elements and manure or separately. This enlarged fertilization project places stricter demands on the reliability of primary input data and requires strict compliance with printout data and their control.

The farming enterprises must introduce a card index for computer use and the ACZ's must keep records of the agrochemical services rendered. In this ACZ work planning groups answering directly to the ACZ manager have proven useful. They consist of 2 or 3 staff members cooperating closely with the LPG and VEG specialists for fertilization and with the crop protection agronomist. These work groups discharge additional preparatory duties bearing on annual planning, concluding of contracts, harvest planning, labor resource planning and other tasks.

In addition to organizing work groups charged with preparing for production other steps can be taken to foster cooperation. The firm allocation of ACZ labor brigades to LPG's and VEG's, compliance with applicable quality standards and



remuneration according to quality of service performed are of great importance for the timely and high quality application of agricultural chemicals. These measures offer a guarantee for cooperation of always the same collectives in a given territory and for joint responsibility of these collectives for stable yields and the simultaneous maintenance of soil fertility and a high standard in tilling soil. Beyond that, improvements in work preparation and organization and the rational commitment of machinery are being achieved by close cooperation of labor brigade leaders.

In this way the ACZ workers become ever deeper involved in the production process of the LPG's and VEG's and discharge crop production chemization duties with increasing efficiency.

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#### APPLICATION OF SOCIALIST LAW IN COMBINE MANAGEMENT

East Berlin WIRTSCHAFTSRECHT in German Vol 11 No 3, Jul 80 signed to press 2 Jun 80 pp 121-124

[Article by Rudolf Winter, general director, VEB Fritz Heckert Machine Tool Combine, Karl-Marx-Stadt: "Socialist Law as a Management Tool in the Combine." Translations of the official texts of the decrees published in the East Berlin GESETZBLATT issues cited in footnotes 1 and 2 below are available (including West German commentaries) in the following JPRS issues of this series: 1) 75361, 24 Mar 80, No 1774, pp 44-75; and 2) 71092, 10 May 78, No 1748, pp 38-50]

[Text] Demands upon the productive capacity of the GDR for the 1980's were formulated at the 11th and 12th plenary sessions of the SED Central Committee. Because of the foreign economic burdens and other obligations incurred by our republic as the result of the international situation, any social progress requires a substantially higher rate of growth of labor productivity and effectiveness than was the case at the start of the 1970's. It is therefore necessary to be more consistent in pursuing the path of intensively expanded reproduction and to take full advantage of qualitative economic growth factors. It is mainly a question of making use of the fundamentally new opportunities which the results of scientific-technical progress and the much larger material-technical base are opening up in new dimensions in the area of production growth.

As a result of the SED Central Committee's exchange of experiences with combine general directors and Central Committee party organizers, held in Gera from 19 to 21 March 1980, the workers at the VEB Fritz Heckert Machine Tool Combine in Karl-Marx-Stadt have pledged to manufacture an additional 2 days' worth of usable end products this year and to raise labor productivity to 109 percent compared to last year, effectiveness to 120 percent and industrial goods production to more than 110 percent.

#### Organization of Cooperation Relations Within the Combine

The Decree on the State Combines, Combine Enterprises and State Enterprises,<sup>1</sup> dated 8 November 1979, provides the combines with great opportunities to make more complete use of the qualitative factors of economic growth and to increase output. This decree constitutes the basis for regulations designed to implement practical, specific management and planning decisions in the combine and to organize economic

<sup>1</sup>

GESETZBLATT, Part I, No 38, p 355.

relations within the combine, including the establishment of more effective chains of cooperation while minimizing administrative costs.

Thus, management decisions by the combine general director regarding setting up chains of cooperation to rapidly increase the production of export-intensive machines and installations are supported by commercial contracts based on the combine ordinance governing the regulation of cooperation relations within combines.

The high degree of interdependence among combine enterprises made it necessary to draw up and issue internal combine regulations that are to be taken into consideration when establishing contractual relations. They take into account the combine's specific situation and contain special regulations covering general commercial law as well as detailed regulations relating to specific branches.

The division-of-labor process that has been developing gradually since formation of the combine has been a major contributing factor in increased combine production and in the stable fulfillment and overfulfillment of the tasks assigned by the state. This process resulted in experiences that were taken into consideration in the continued work on commercial law and also, to a certain extent, in the drafting of the combine decree.

Our ordinance on cooperation within the combine regulates the planning and organization of delivery relations among combine enterprises in terms of scheduling and sets some supplementary regulations to the Contract Law which apply within the combine. For instance, introduced into the complex of legal consequences for deliveries that do not meet quality standards have been different stipulations regarding the right of repair by the recipient as well as the short-notice assessment and elimination of deficiencies.

Also new is the stipulation that obligates the supplier in the case of reported total rejects to assess the faulty product within 20 working days. If this is not done, the claim is considered acknowledged and the purchaser has the right to scrap the material. This not only exerts economic pressure on the supply side, but it also assures a swift exploitation of secondary raw materials.

Although the sanction regulations contained in the combine ordinance are based on the general provisions of the Contract Law and its implementing decrees, it does prescribe through standard combine stipulations that penalties not be assessed in the case of minor contract violations. The aim is to simplify and reduce the cost of the legal work in those cases in which the effects resulting from inadequate fulfillment of contracts are not serious.

Thus, neither party charges penalties if they do not exceed a value of M 50. Penalties are also not assessed in the event of default in overrunning the delivery date by up to 30 calendar days, or in the event of defective deliveries if the costs of repair by the purchaser do not exceed 3 percent of the value of the product.

The ordinance provides that the general director has the right to decide contract disputes that cannot be settled by the enterprise directors involved.

In the area of metal-casting cooperation within a combine, a number of special regulations were established that resulted from the peculiarities of this kind of

production and the extensive reciprocal relations and obligations which it requires.

#### Production Growth Through Effective Management Organization

The expanded rights and duties which the combine decree grants to the combine general directors make it possible to use to even better advantage the qualitative factors that lead to a high level of production growth. As a result of the opportunities provided by the combine decree to employ control enterprises, the VEB John Schehr Machinery Factory, Mouselwitz, has been assigned control functions in the field of foundry production. This VEB's foundry is one of the largest and most modern in Europe, putting out 35 kilotons of cast iron products annually. The buildup of this foundry has also made for an increased scientific-technical potential which, by virtue of the control function, is now of direct benefit to the other five foundries of the combine.

Some of the responsibilities of the control enterprise:

Development of long-range plans for research, technology, rationalization and development of the material-technical base, including decisionmaking proposals;

Coordination of studies in the area of technological research and development;

Conduct of technological research experiments within the technological testing department;

Generalization of progressive experiences in the field of technology and industrial organization;

Improvement of index figures on economy in the use of materials;

Coordination of repair and maintenance capacities for foundry equipment;

Preparation and implementation of investments for foundry equipment;

Manufacture of process-related rationalization means using the division-of-labor process;

Conduct of enterprise comparisons (foundry and sectors producing die castings) and analyses as well as their evaluation in competition;

Drafting of plan proposals to ensure foundry production that meets demand (optimization of product mix, classification of consumers according to capital shares, coordination with the account balancing organ and supervision of price coordination operations);

Development of plan proposals for providing die castings to meet demand (coordination and specialization of all die-casting capacities in the combine, drafting of proposals for production cooperation and supply relations with partners outside the combine).

Resulting from this new management organization at the VEB John Schenr Machinery Factory, Meuselwitz, are the following effects:

A process-related management now exists for machine construction, with above-average growth in its share of machine tools for specific customers, especially for NSW [non-socialist monetary area] export, and for the foundry, with its HAN [main contractor] function for the comprehensive remodeling of equipment and its control function for foundry operations in the combine. This creates better accord between the workers' readiness to produce and the prerequisites of management;

Management can influence more effectively the development of science and technology as well as conversion of the results into increased production in the enterprise's foundry process;

There can be a more comprehensive assurance that material interest as well as personal responsibility for capital and capital goods will prevail and continue to develop.

#### Long-Range Assurance of Subcontractor Deliveries

In addition to the regulation of economic ties within the combine, also a factor in assuring production growth is a consistent and comprehensive perception of the possibilities and obligations of commercial law involved in the relationships of combine enterprises with their cooperation partners outside the combine. A combine guideline has been issued covering the interpretation and application of provisions contained in the Decree To Assure the Uniformity of Plan and Contract in the Conclusion and Fulfillment of Commercial Contracts,<sup>2</sup> dated 26 January 1978.

The guideline stipulates the critical subcontractor sectors with which long-term contracts are to be concluded, so that the most important subcontractor deliveries are assured up to the time of the respective plan justification session.

The technical directors were made personally responsible for seeing that this task is carried out; the responsibility may not be delegated to others.

#### Influence of the Law on Increasing Scientific-Technical Progress

New and more advanced products must help determine the highest scientific-technical level while production is going on. Entrusted with a great responsibility in this regard is the machine tool construction research center, as a combine enterprise charged with gaining a scientific-technical lead for the combines of the industrial branch in critical cross sections.

In accordance with the importance that lies in the work of the research center to the faster exploitation and conversion of the results of scientific-technical progress, there is strict observance of the commercial law regulations governing the division of labor between the research center and the combine's enterprises. The commercial contracts between this center and the enterprises are to be made explicit by the addition of definitive terms of reference manuals. The combine's director of product development personally sees to it that the coordination of these commercial

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<sup>2</sup> GESCHTZBLATT, Part 1, No 6, p 85.



contracts between the enterprises and the research center is done on the basis of the predetermined material, thematic and time requirements that will open the door to additional combine results leading to a large increase in production.

The close contractual interdependence among researcher collectives from the research center and development collectives in the enterprises has been producing creative teamwork.

Important criteria for the required degree of innovation of the products are the content and the number of patents issued for the new product. Its established utility features must be of critical relevance to the proposed circle of consumers.

For systematic and active work with patent rights, the terms of reference manuals must list objectives which derive from the technical and economic parameters of the established utility features of the products. In determining management priorities for science and technology, the enterprise directors must advance the creative work of the inventors, guide their initiative toward economically productive scientific-technical tasks and be aware of their responsibilities when applying state regulations with reference to work with inventions.

They are receiving effective support in this work from the patent rights commissions of the combine, the research center and the combine's export enterprises.

Fundamental combine regulations exist in the following areas for management of the research and development process:

Planning, implementation and verification of Science and Technology Plan items;

Science and technology information system.

The combine ordinances contain illustrations of the required work flows and represent a permanent working basis for the combine's research and development director in his monthly meetings with the directors for research and development of the combine enterprises. In addition, combine guidelines have been developed for special problems — on implementing the resolution on measures designed to support the work of inventors, for example.

The management decisions made by the general director, the enterprise directors and the technical directors are basically derived from long-range documents. This facilitates the precise translation into commercial law of these kinds of management decisions in the commercial contracts covering scientific-technical services between enterprises, between the enterprises and the research center and between the combine and its scientific cooperation partners, particularly the Karl-Marx-Stadt Advanced Technical School.

The long-range plan on combine development up to 1985 contains objectives aimed at production development through the intensive expansion of production.

A long-range three-way scientific cooperation contract exists between the combine, the Karl-Marx-Stadt Advanced Technical School and the research center. The contract is designed to assure lead time in special fields of science and technology — like automation technology and technological research.

The aforementioned major increase in research results and their rapid exploitation internationally are forcing the VEB Fritz Heckert Machine Tool Combine, too, to steadily raise the level of its scientific-technical work.

We are assuming that we can still do a great deal to accelerate the pace of scientific-technical progress by improving management work. Every manager in the combine and in the enterprises has the obligation to continue to improve everyday managerial and organizational work through a precise knowledge and proper application of state rules of law and internal combine regulations. The skills needed for this are taught by means of the exchange of experiences in management meetings and with selective training courses.

#### Clear Contractual Relations for Export

The large percentage of exports in the combine's total output of machine tools requires a precise structuring of foreign economic relations. Making up the basis for management cooperation between the Industry Ministry's own WMW [Machine Tools and Tools] Export/Import Foreign Trade Enterprise [AHB] and the combine is a production cooperation contract which, because of the special characteristics of the products, includes stipulations that are binding upon the combine's enterprises in all matters, starting with joint market research and market canvassing and going on through the conclusion of contracts and delivery all the way to service.

This immediate cooperation regulated by contract has proved successful. The correctness of the arrangements made under the cooperation contract is confirmed in part by the fact that joint efforts made it possible to achieve an average increase in exports to more than 200 percent in the period between 1976 and 1979.

Cited as the most recent example of the results that can be obtained from close cooperation between the WMW Export/Import AHB and the combine is the contract on industrial cooperation between the GDR and the Republic of France involving the FHK [Fritz Heckert Combine] and AHB and the PSM Liné, signed for the GDR by the general directors of the AHB and the combine on 14 May 1980.

In an important area of the export business, that of supplying customers with spare parts, the combine is a direct partner of the foreign customer and user as a result of the authority granted it by the WMW AHB to conduct its own business operations.

Not only does this direct contact assure effective short-notice service, but the experiential feedback gives us the chance to draw conclusions as to design and technology so that further production improvements can be made without loss of time.

The combine sees as an essential basis for its stable production development the purposeful expansion of socialist economic integration by CEMA member nations and the SFRJ [Socialist Federative Republic of Yugoslavia]. As a result of planning coordination among the CEMA member nations, we have seen and are seeing the emergence of coordinated main lines of development for the structure of production according to the machine tool construction requirements of the participating countries. The multilateral agreements on specialization and cooperation in production that have been or are yet to be concluded strengthen the export lines that have emerged from the ongoing traditional goods exchange between the countries.

The multilateral agreement concluded for the 1981-1985 period covers around 75 percent of the combine's product nomenclature and about 60 percent of its production volume.

Cooperation is being expanded further by means of bilateral relations that concentrate on research and assembly cooperation in particular. For example, as the result of an agreement between the GDR minister for machine tool and processing machinery building and his counterpart in the USSR, a fruitful exchange of ideas in the field of design and technology evolved on a contractual basis with the Ivanovo Production Association for Heavy Machine Tools. This cooperation has progressed so far at present that specific development tasks for separate sectors are being worked out jointly. The advantage of this cooperation consists in a saving of development capacity, in the assurance of an increase in utility value and in increased production.

As a consequence of these experiences and findings, cooperation on a contractual basis is being expanded to include other fields and other enterprises in the USSR.

Also in existence is a contract with the TOS Kurim machine tool enterprise in the USSR, one which regulates cooperation in the area of assemblies for special machines and assembly lines; a production cooperation contract concluded in 1979 perpetuates this agreement. This cooperation has produced and is still producing direct savings in development capacities, including the no longer necessary engineering services for the assemblies delivered by the partners to the contract.

For a long time we have had a cooperation contract with the SFRJ for the production of milling machines, including assemblies and fittings; this contract assures a stable production of end products in the combine and an increasing volume of exports to the SFRJ.

#### Organization of Legal Work

The use of law as a management tool requires not only extensive knowledge -- law propaganda has long been a permanent part of our work in conveying this knowledge -- but also a system of verifying whether the law has been put into practice. In accordance with a directive from the general director, action plans for legal work and verification have been instituted in all combine enterprises; these plans are amended regularly.

Managers at the respective levels are responsible and accountable for the enforcement of socialist law and the combine's ordinances and regulations based on this law. The general directors and directors are supported in this by their legal advisors, but also by the head bookkeeper, the state TKO [Technical Control Organization] manager and the inspectorate manager. Different aspects of the application and observance of law are also examined in conjunction with external control organs -- for example, the State Financial Auditing Commission, the ABI [Worker and Peasant Inspectorate], the Office for Prices and the State Contract Court. Legal verification is an inseparable part of the regular management work performed by the general director, particularly in the coordination meetings, meetings with the technical directors, the combine management's monthly sessions with enterprise directors, reporting sessions and written reports. On the one hand, we derive from the determinations made and information gathered on these occasions suggestions for further

improving our work with the law and setting it down in ordinances, guidelines and directives; on the other hand, violations of the law lead to educative -- if necessary, to disciplinary -- measures.

The use of law as a management tool at the VEB Fritz Heckert Machine Tool Combine has contributed to the all-around assurance of legality and to effective support for the development of production.

7458

GSO: 2300

GERMAN DEMOCRATIC REPUBLIC

CROP, WEATHER REPORT PUBLISHED FOR SEPTEMBER 1980

East Berlin FELDWIRTSCHAFT in German Vol 21 No 11, Nov 80 p 528

[Article by Dr D. Krumbiegel, GDR Meteorological Service, Central Weather Bureau, Potsdam]

[Text] The Weather Picture in September 1980

Only for short periods did daily air temperature averages deviate markedly from the norm. There was relatively little rain in the first 5-day period and starting at midmonth.

The beginning of the month was from 2 to 4K below normal and the period from the 4th to the 8th slightly above. Thereafter, subnormal air temperatures were minor. From the end of the second to the middle of the third 10-day period, daytime averages mostly ranged from 2 to 4 above normal, in the southern part, around the 22nd, up to 5K above normal. Subsequently, temperature conditions were normal. During the mild weather periods, daytime maxima ranged between 20 and 25°C. For the rest of the time, maxima mostly stayed below 20°C, during a few days in the third and sixth 5-day periods regionally even below 15°C. Nighttime ground minima dropped below 5°C only on the 2nd and 3rd and around the 28th. Early local frosts down to -2°C occurred on those days. There was abundant sunshine in the first 10-day period, the period from the 15th to the 22nd, and the days around the 27th. Daytime relative air humidity averages mostly stayed above 70%. The rain was heavy on the 5th (northern part 10 to 25 mm), the 10th (around 5 mm), and the 14th (5 to 10 mm, in some places up to 25 mm). Some stations in Halle Bezirk recorded as much as 20 mm on the 23rd, Sonneberg, 36 mm. On the 25th, the southern part in many places recorded from 5 to 15 mm on the 25th, the Erz mountains, from 15 to 30 mm.

Temperature Data for September 1980 According To the Chief Climatological Office, Potsdam

1. Monthly Air Temperature Averages and Deviations from the Norm

Schwerin	14.0°C	+0.4K	Erfurt	14.1°C	+1.2K
Neubrandenburg	13.5°C	0.0K	Leipzig	14.4°C	+0.8K
Potsdam	14.1°C	+0.3K	Goerlitz	13.5°C	0.0K



## 2. Average Precipitation According To Bezirks

Rostock	48 mm = 91%	Halle	38 mm = 91%
Schwerin	61 mm = 127%	Erfurt	53 mm = 106%
Neubrandenburg	33 mm = 72%	Gera	45 mm = 88%
Potsdam	35 mm = 80%	Suhl	45 mm = 79%
Frankfurt	34 mm = 79%	Dresden	68 mm = 117%
Cottbus	61 mm = 130%	Leipzig	53 mm = 113%
Magdeburg	48 mm = 109%	Karl-Marx-Stadt	67 mm = 105%

## 3. Evaporation Potential

Northern bezirks	40...50 mm
Central bezirks	40...45 mm
Southern bezirks	35...45 mm

## Soil, Crop and Labor

Surface soil temperatures dropped in the transition from the first to the second 10-day period. It warmed up once more at the 20th but cooled off in the last 5-day period. The 15°C-limit was crossed on the 25th or 26th, circa 10 days later than what has been the average over many years. In the subsoil there was a slow temperature drop in the first two 10-day periods which, after a temporary warming period, continued in the fifth and sixth 5-day period. By the end of the month, the values generally recorded, at a 50-cm as well as 100-cm depth, ranged between 13 and 15°C. The water level mostly dropped. Except for the plains in the bezirks of Halle, Erfurt, Leipzig and Magdeburg (the southern part), where on the 30th less than 50% of the useable field capacity was recorded, values ranging between 50 and 80% of useable field capacity (below the turf) clearly showed above-normal ground water volumes. Even if one must assume lower values for agricultural cultures due to a great water consumption, this situation lets us infer that the ground water volumes will be rapidly and completely replenished. Its difference from field capacity ranged from -35 to -95 mm widespread, in the southwestern plains from -80 to -145 mm, however. average precipitation volumes from November to February in the last-mentioned area ranged around 130 mm, elsewhere, mainly between 140 and 180 mm. Soil climatic conditions for nutrient mobilization and composting were favorable. In some areas they were hampered by lack of humidity and, at the end of the month, by the cooling of the ground. Most of the time it was easy to traverse and work the ground. Some hardening was noticed on heavy soils in the southwest, and some lumps formed in some areas in the northern bezirks.

The ample water supplies in the most of the GDR, the temperature conditions being so favorable, made for fine growth in the forage crops, beets and late vegetables. Summer catch crop made up for the backlogs due to late cultivation. Unusually favorable conditions made the winter crop come up. Sowing having been expert, there were only from 4 to 7 days for the cultures to germinate. This made up for the disadvantages resulting from exceeding optimum seeding schedules due to belatedly clearing off the previous crop.

The fine growth of forage crop gave us a third cut on most of our pasture land. Weeds continued to have a heyday. They intermingled with the grain on site. The root crop had a case of belated weed formation, which brought interference with the digging of, mainly, the potatoes due to premature phytophthora. In the northern bezirks, the weather facilitated tumorous growth in the barley and winter rye. The mostly high night temperatures up to the middle of the third 10-day period are likely to have led to higher respiration losses and thus to a relatively low net assimilation rate. The formation of nutrients continued to be under the disadvantage of little sunshine at times. Though the phenological delay typical of the current year came close to normal, considerable delays in ripening could be observed for varieties with great heat requirements, especially the corn and the tomatoes.

There was interference with field work due to rain which was widespread from the 9th to midmonth and regional in the southern part of the GDR around the 24th. For the rest of the time, conditions were mostly favorable. In the central and southern plains, the grain harvest was by and large completed within the first 10-day period, in the northern bezirks, except for barley, by midmonth, and in the mountainous areas by the end of the month. Roughly 50% of the potato digging was completed by the end of the month. The silo corn harvest was held back in many places to obtain a better degree of ripening. In the winter catch crop and winter rye, seeding schedules could often not be observed because of the belated clearing of the acreages of the previous crop. Drying conditions were quite good, mainly in the first 10-day period. Thereafter, the time available for concluding the straw harvest and ensilage production was considerably diminished by dew formation and relatively high air humidity. The same was true for the harvesting-threshing of grain cereals. There was hardly any further need generally for additional water supplies. In the southwestern plains up to midmonth there existed still possibilities for an effective application of irrigation.

#### Meteorological Projections for Farming in November 1980

Given the mostly above-normal water level, fully completing the fall furrow is the principal condition for reducing weather-conditioned disturbances of the 1981 spring cultivation.

5885

CSO: 2300

DECREES ON OPERATION OF SMALL RETAIL SHOPS PUBLISHED

Budapest MAGYAR KOZLONY in Hungarian No 72, 30 Sep 80 pp 1000-1005

[Decree No 38/1980 (9-30) of the Council of Ministers on Contractual Operation of Certain Retail Shops and Restaurants]

[Text]

Article 1

Economic organizations (Civil Law Code, Article 685 (c)) shall be permitted to operate retail shops and restaurants on a contractual basis (hereinafter called 'contractual operation') in areas defined by the Minister of Domestic Trade.

(2) The economic organization shall sign a contract with the private party endeavoring to manage the establishment on a contractual basis (hereinafter called 'manager') according to the provisions of civil law. The contract shall be in writing and its duration shall not exceed five years.

Article 2

(1) The economic organization must sign a contract with the party offering the most favorable terms at a publicly announced competitive bidding.

(2) Contracts for contractual operation may be signed only with persons who

a) are employees or members of the economic organization (hereinafter called 'employee');

b) have suitable technical qualifications and

c) are not subject to employment prohibitions defined in separate legal provisions.

(3) Contracts may be signed with at most 5 persons forming an association under civil law. In this case it suffices for one person only to possess technical qualifications. The contract governing the association must define the exercise of managerial rights.

(4) One person (including a member of an association under civil law), his or her close relative living in the same household (Civil Law Code, Article 685 (b)) or spouse can participate in at most one contract for contractual operation of a shop.

(5) The manager shall not transfer to any other person the rights to operate the establishment.

#### Article 3

Purchase and marketing of goods, restaurant production and service, inventory management and use of assets are organized and directed in an autonomous fashion by the manager who bears all responsibility and risk in the name of the economic organization. The manager shall pay a fee, set by the contract, to cover the costs and profits of the economic organization.

#### Article 4

(1) Fixed assets necessary for the operation of the establishment are provided by the economic organization for the use of the manager for the duration of the contract.

(2) The manager shall be responsible for the care, maintenance and needed repairs of fixed assets.

(3) Replacement or renovation of fixed assets worn out in the course of normal use is the responsibility of the economic organization.

#### Article 5

(1) The economic organization shall make available to the manager revolving assets defined in the contract. The manager may purchase revolving assets from the economic organization and shall pay a use fee for the use of revolving assets not purchased.

(2) For the duration of the contract, the manager may use revolving assets, including non-purchased assets, at his own discretion. Replacement of worn-out revolving assets and additions to revolving assets shall be paid for by the manager.

#### Article 6

The manager must start the operation of the establishment no later than the deadline set by the contract.

#### Article 7

For the duration of the contract, the employment of the manager is suspended for purposes of the provisions of labor laws, the duration of such suspension is considered as being employed.

(2) The amount to be considered as the basis for calculating social security and pension contributions of the manager must be set in the contract on the basis of the average earnings of those working in identical or similar positions.

#### Article 8

- (1) Workers employed in the establishment are employed by the economic organization.
- (2) The number of workers employed in the establishment and the upper limit of the yearly or monthly wage bill used by the establishment must be defined in the contract.
- (3) The manager may exercise the rights of the employer within an area defined by the economic organization. With the exception of temporary employees, the economic organization may not transfer the right to establish or terminate employment or to discipline or to impose monetary penalties. When the manager does not wish to use an employee's services in the establishment and presents a justified request to that effect, the economic organization must terminate employment at the establishment in accordance with the provisions of labor law within the deadline set for notice of termination.

#### Article 9

The manager is free to dispose of any income generated by the establishment left over after fulfilling all obligations arising from legal and contractual obligations. He may transfer any part of such income to employees of the establishment over and above the wages set by the employment contract. This shall not be considered as wage payment.

#### Article 10

The economic organization may demand a security deposit or other auxiliary obligations to secure the contract (Civil Law Code, Chapter 23) in order to secure its claims against the manager under the contract.

#### Article 11

The manager shall pay taxes in accordance with rates set in separate legal provisions.

#### Article 12

The contract expires

- a) at the end of the expiration period set in the contract;
- b) by termination;
- c) upon the death of the manager.

#### Article 13

- (1) The manager may terminate the contract immediately if he is unable to fulfil his contractual obligations due to the deterioration of his health.
- (2) The manager may terminate the contract upon three months' notice if the economic organization fails to fulfil its contractual obligations in spite of a request to do so, or if his living conditions have changed to such an extent that he is no longer able to fulfil the obligations agreed to.



(3) The economic organization shall terminate the contract immediately if new conditions arise which would exclude the signing of a contract (Article 2 (2)).

(4) The economic organization may terminate the contract immediately if the manager  
a) fails to begin operation of the establishment by the date set by the contract;  
b) is in serious conflict with legal provisions and regulations applicable to the operation of the establishment;  
c) fails to fulfil his payment obligations to the economic organization or his tax liabilities by the official deadline.

(5) The economic organization may terminate the contract on three months' notice if a manager fails to fulfill his contractual obligations other than those listed in Section (4).

#### Article 14

(1) At the termination of the contract the parties shall settle their accounts.

(2) The economic organization is required to buy back all revolving assets fit for normal use or sale.

#### Article 15

This decree becomes effective on 1 January 1981. Its implementation is the responsibility of the minister of domestic trade.

(signed) Gyorgy Lazar  
Chairman of the Council of Ministers

[Decree No 14/1980 (9-30) BkM of the Minister of Domestic Trade on the Implementation of Decree No 38/1980 (9-30) MT of the Council of Ministers on the contractual operation of Certain Retail Shops and Restaurants]

[Text]

In agreement with the ministers involved, the heads of organs with a nationwide jurisdiction, national representative organizations of cooperatives and the KPVDSZ [Trade Union of Worker. in Commerce, Finance and the Catering Industries], in the interest of implementing Decree No 38/1980 (9-30)MT of the Council of Ministers on the contractual operation of certain retail shops and restaurants (hereinafter called 'D'), based on the authorization contained in Article 15 of said decree, I order the following.

(To Article 1 of D)

#### Article 1

(1) The number of employees in a retail establishment to be operated on a contractual basis cannot exceed five; in restaurants serving hot food, twelve; in other catering establishments, six.

(2) The ceiling on the number of employees set in Section (1) must be calculated without regard to the number of shifts, not including musicians, performers, temporary workers or apprentices.

(3) Commission stores, pawn shops, pharmacies, catering establishments located in hotels and kitchens or cafeterias at workplaces or children's establishments may not be operated on a contractual basis. Shops operating on a contractual basis may not sell watches, jewelry, vehicles, hunting equipment (weapons or ammunition). Furthermore, such stores may not sell furniture, photographic and optical equipment, telecommunications equipment or electric household appliances with a consumer price above 1,000 forints.

(4) Establishments to be operated on a contractual basis shall be designated by the enterprise director, governing body of the cooperative or the board of directors of the economic association.

(To Article 2 of D)

#### Article 2

(1) The economic organization shall advertise the transfer of a designated establishment to contractual operation in the central or megye press and by other means at least 30 days before the public tender. The economic organization is required to provide written information to interested parties regarding receipt and turnover of the establishment during the previous year, the value of assets within the establishment, the number of employees, the minimum size and conditions of the fee as well as the minimum size of the security deposit or other auxiliary obligations to secure the contract.

(3) The economic organization must sign a contract with the participant at the public tender willing to pay the highest fee. In case of equal offers, preference must be given to those willing to purchase a greater percentage of revolving assets. In case of equal willingness to purchase, preference must be given to the manager of the establishment at the time of the publication of the tender. Lacking such an applicant, preference must be given to employees of the establishment or enterprise. No public tender is necessary if there is only a single applicant.

#### Article 3

(1) Applicants not employed by the economic organization at the time of the publication of the tender can participate in the public tender provided that they undertake to establish an employment relationship with the economic organization at the time of the signature of the contract.

(2) For purposes of implementing this decree, suitable qualifications may consist of a master's certificate, journeyman's certificate, skilled worker's certificate or equivalent as well as 3 years of experience as store manager, deputy manager or salesperson (except in the case of catering establishments serving hot food and meat stores).

(To Article 3 of D)

#### Article 4

(1) The fee includes

- social security contributions to be paid on behalf of the manager and employees of the establishment as well as pension contributions to be paid by the manager;

- depreciation costs of fixed assets within the establishment calculated on the basis of depreciation rates defined in the Standard Amortization Schedule and use fees for fixed assets belonging to the economic organization;

- rent for store space or area;

- a contribution to the profits and general costs of the economic organization.

(2) The fee may cover other expenses based on mutual agreement between the economic organization and the manager.

(3) Costs not included in the fee are the responsibility of the manager, with the exception of those defined in Article 4 (3) of D.

(4) The contract may specify a varying annual fee as well as varying annual sales receipts. The percentage of monthly fee payments may also vary from time to time.

#### Article 5

(1) The manager may purchase goods within the domain of his business freely within the framework of legal provisions regarding the marketing of products, at conditions identical to trade organizations, and he may sell them to anyone for cash.

(2) The manager must document all purchases with bills, check stubs or shipping invoice. If goods are purchased from private parties then the purchase price must be certified by a document (bill) or, if this is not possible, with an affidavit specified in the legal provisions regarding general income tax.

(3) The price of goods purchased for other than cash from other economic organization based on a certificate issued by the manager, unless there is an agreement to the contrary. The certification method is defined by the economic organization. The price of such purchases must be paid by the manager no later than the deadline set by the economic organization.

#### Article 6

(1) The manager of a catering enterprise must prepare a price calculation for products sold within the establishment in accordance with regulations concerning catering industry prices. Price calculations must be kept for 5 years.

(2) Regulations concerning private shopkeepers regarding price calculations and procedures to be followed in the case of price measures by the authorities and hours of operation shall apply to shops converted to contractual operation.

To Article 4 of D)  
Article 7

For purposes of applying this regulation, renovation includes remodeling of the

store as well as modernization, replacement and expansion of floors, coverings, roofs, gas, electricity and water conduits, related equipment and heating appliances.

#### Article 8

The manager may place and use fixed assets in his private possession within the store provided that prior notice is given.

(To Article 5 of D)

#### Article 9

(1) The value of goods and materials transferred must be calculated on the basis of purchase or accounting prices; those of packaging materials at deposit rates. The value of revolving assets must be calculated at 100 percent for eating utensils, glass and china and at a price corresponding to the degree of wear for other revolving assets and furnishings.

(2) The manager shall receive all fixed and revolving assets on the basis of an inventory.

(To Article 8 of D)

#### Article 10

(1) The economic organization may not employ any person at an establishment operated on a contractual basis not approved by the manager.

(2) The contract shall include the number of employees at the establishment in accordance with Article 1 (2).

(3) The manager may enter into an employment relationship with temporary workers that can be employed without a labor book for a period not to exceed 7 days in the name of the economic organization provided that the conditions of employment are met and such employment is reported to the economic organization on a monthly basis by a date determined by the economic organization.

#### Article 11

(1) The labor contract must define the wages of employees as a fixed sum. The wage must be set on the basis of average earnings less payments from share funds of employees working in identical or similar jobs within the economic organization. The calculation must be based on basic wage within the framework of the appropriate wage item. The wage includes all fees paid out of wage cost.

(2) The wage bill of the establishment available pursuant to the terms of the contract may not be exceeded as a result of the employment of temporary workers.

(3) The wages of store employees are paid by the manager in the name of the organization. If the manager fails to fulfil this obligation by the deadline set for wage payment, the economic organization must pay the wages of employees directly and assert its resulting claims against the manager.

(4) The economic organization shall inform the manager of the amount of wages to be paid and all applicable deductions. The manager is required to pay the amount of all wage deductions to the economic organization together with the monthly portion of the fee.

#### Article 12

(1) The economic organization is required to account for and record the wages of store employees and the amount used to calculate the manager's social security and pension contributions as part of wage costs.

(2) For purposes of wage regulations, wages paid to store employees must be considered in the category of other payments out of wage costs.

(To Article 14 of D)

#### Article 13

(1) At the time of the termination of contract, the manager is required to return all fixed assets received from the economic organization in accordance with inventories and to account for the value of all revolving assets not purchased.

(2) The manager must compensate the economic organization for the value of all missing fixed assets together with an amount representing any depreciation of the value of fixed assets occurring as a result of improper use or lack of maintenance.

#### Miscellaneous and Closing Clauses

#### Article 14

(1) In accordance with general regulations, the store must carry a sign showing the name of the economic organization and the name of the manager together with a reference to the mode of operation of the establishment.

(2) The manager is required to conform to all laws and regulations pertaining to commercial activity.

#### Article 15

The economic organization shall exercise continuous supervision over the operation of the establishment and to inventory all fixed assets at least once every two years. It may call for an accounting of all assets received by the manager if such an action is indicated.

#### Article 16

The economic organization shall account for the turnover set by the contract as the sales receipts of the store.

#### Article 17

(1) This decree will come into effect on 1 January 1981.



(2) The following decrees are not applicable to stores operated on a contractual basis:

- Decree No 12/1970 (8-30) BkM on business hours of stores, as modified by Decrees No 3/1971 (7-17) BkM, 1/1974 (1-17) BkM-MuM, 15/1976 (8-25) BkM and 4/1980 (4-4) BkM;
- Decree No 13/1972 (6-5) BkM on certain questions pertaining to accounting of turnover;
- Decree No 16/1976 (8-29) BkM on regulation of accounting price differentials of food raw materials used in the catering industry;
- Decree No 8/1978 (5-8) BkM on the operation of cloak rooms and lavatories of catering establishments;
- Decree No 21/1979 (12-16) BkM on the price risk fund;
- Decree No 124/1956 (KE 37) BkM on the accounting price of packaging materials;
- Article 2 (1) and (2) of Decree No 15/1968 (12-27) BkM on the General Commercial Business Regulations and Business Work Schedule;
- Article 7 (2) of Decree No 12/1978 (7-1) BkM on operating permits for businesses and areas of specialization for businesses;
- Clauses 2 b) and 4 of Decree No 31/1968 (KE 33) BkM on the regulation of incompatible employment relationships.

(signed) Dr Vilmos Saghy  
Minister of Domestic Trade

9164  
CSO: 2500

## NEED FOR EFFICIENCY IN SOCIOECONOMIC DEVELOPMENT

Bucharest ERA SOCIALISTA in Romanian No 20, 20 Oct 80 pp 4-7

[Article by Liviu Melinte]

[Text] Approaching is the moment which separates and, at the same time, unites the two five-year plans--the fifth and seventh--in the series of plans which through their fulfillment have provided for and are providing for the uninterrupted and multilateral progress of socialist Romania. On the eve of this moment, the recent plenum of the party's Central Committee and the Grand National Assembly made a concise balance of the achievements of the 1976-1980 period, examined and unanimously adopted the single national plan for 1981, the first year of the next five-year plan and the beginning of a new stage in implementation of the party's program for building the multilaterally developed socialist society in our country. The work of the highest party and state forums has been characterized by demandingness and a spirit of responsibility in analyzing the situations in the various areas of our society's life through a sharp critical but constructive position toward the shortcomings which in enough places are hindering the normal procedure of economic and social activity and hindering results from being obtained according to existing possibilities.

In the speech of Comrade Nicolae Ceausescu delivered at the close of the Central Committee plenum he formulated in an overall way, with realism and complete clarity, the main problems confronting our national economy at present and in the immediate future, the directions and means of action to solve them well, the tasks and priority goals which must be in the attention of the party, state and public organs and organizations and collective leadership organs in all links and all steps of the social organism and all workers. Mastering and, in particular, precisely fulfilling the provisions of this document are the guarantee for a good start to fulfilling the new five-year plan, a plan conceived to mark an important step in the direction of consolidating and modernizing the national economy, raising efficiency and increasing quality in all sectors of social-economic life with the goal of placing Romania among the states with average economic development by 1985.

Logically, of course, any new plan, any new development program fixes its "roots" in previous achievements, which form the base for proceeding to fulfill it. Shortly before closing this current five-year plan one may state that encouraging results have been obtained between 1976 and 1980 in the country's social-economic development, going through a new stage in fulfillment of the party program.

Extending and improving the material-technical base have been sought during these years with special perseverance and, in the end, the progress of any "segment" of the social system depends on that. In this regard the policy of accumulation and investment has had its say. The allocation of nearly one-third of the national income for development--and even more in some years--has permitted more than 2,400 new industrial and agricultural units to be placed into production and has permitted a rise in the volume of fixed assets from around 1.2 billion lei at the beginning of the five-year plan to approximately 1.9 billion this year. Thus, nearly 40 percent of existing fixed assets today has gone into operation during the current five-year plan, being very young and modern!

The country's economic power is increasing more and more due to the results of the industrialization policy. During the five-year plan still going on, industrial production calculated on the base of value of net production has increased an average of 10.6 percent annually and 10 percent on the base of value of total production. It is the first time that the growth rate of net production is surpassing that of total production, which validates the orientation toward a more reasonable hierarchical system of the plan indicators, giving priority to the ones which measure the substantial aspects of efficiency and quality of economic activity and moving the indicators in total expression, particularly useful for specifically statistical needs, to a secondary spot.

Romanian industry is acquiring in a more and more emphatic way the features of a modern one, to a greater extent including the achievements of the scientific-technical revolution. Primarily this fact is reflected in the different growth rates of the industrial branches, with a trend of increasing the share of the "peak" sectors, which propel overall industrial and economic progress. Thus, in the 1976-1980 period, the machine building industry rose an average of 13 percent annually, ferrous metallurgy--11.6 percent and the chemical industry--10.8 percent. At the same time, light industry increased its production an average of 10.3 percent annually, while the food industry raised it 7.3 percent. Second, we note a similar development in the "industrializing industries," since they have available the ability to solve all the technical and quality problems when they assimilate and improve products, assuring their competitiveness on the international markets.

The material-technical base of agriculture and the production potential of this main branch of our national economy are in full expansion and modernization. Total agricultural production has increased at an average annual rate of more than 5 percent during the five-year plan we are closing; however, plan forecasts were not fulfilled due to shortcomings in the organization, development and leadership of activity in this sector and incomplete use of existing possibilities.

The positive action of intensive and quality factors of activity is making itself felt more and more in the country's economic life. Of course, extensive development continues to maintain certain importance, but the dominant trend lies in increasing labor productivity, reducing production--particularly material--expenses, improving quality and permanently renovating products and raising profits and profitability. The principles of self-leadership and self-management and the measures taken in recent years to strengthen them are intended precisely to direct all efforts and resources toward emphasizing the action of the factors mentioned here.

The general results in the development of the national economy in this five-year plan find their overall expression in the 8-percent average annual rise in national income and, from here, in the creation of increased resources for economic progress as well as for raising the people's material and spiritual well-being. Statistical data show that the population's total incomes rose from 247 billion lei in 1975 to 361 billion in this year, with an average annual rate of 8 percent. Taking into account the increase in nominal incomes and the increase in the indicator of prices and tariffs, we see that in this five-year plan real salaries rose around 30 percent compared with the 20 percent forecast in the plan, while the real incomes of the cooperative member peasants also rose around 30 percent. The social consumption funds increased by total and per capita, housing construction was extended and the material base of education, culture, health protection and so forth developed.

The complete significance of the progress in the country's social-economic development in the 1976-1980 five year plan is seen even more powerfully if we keep in mind a number of phenomena which were a burden to activity during these years. The earthquake of 4 March 1977, floods during certain periods, the world energy and raw material crisis and the rise in prices for a number of products on foreign markets and other things cause big losses or serious difficulties.

However, it is no less true that the results obtained could have been higher as a whole if a number of lacks and shortcomings had not persisted in certain sectors. The 14-15 October 1980 Central Committee Plenum uncovered the main causes for them and indicated the decisive measures for eliminating them in a hurry. Failures in fulfillment in industry and agriculture, investments and foreign trade, gaps in the area of material-technical supply and promotion of technical progress, a slowdown in applying measures for self-leadership and self-management and so forth, in many regards have at their base subjective causes, phenomena of bureaucratism and lack of responsibility, lack of discipline and disorder which continue in a number of economic units and organs, local or central. Criticizing these phenomena, the party's secretary general said: "It is time we understand that we are responsible before the people for assuring appropriate leadership and timely solutions to problems. That is why we cannot say we are satisfied with general achievements or cover or minimize the shortcomings shown in our activity. I am convinced that our Central Committee, the party organs, the state organs, the working class and the workers will understand that, by evaluating the big achievements properly, we are obligated to do everything to work better and to assure our country's progress forward even more firmly. We have everything necessary in this regard and I am convinced that many of the negative situations I have referred to will be eliminated in a very short time and that we will obtain a general improvement in our activity in the period immediately coming up."

The stage reached in the development of the overall industry and national economy, the sizes and variety of the resources for economic growth which we have available, the trends of the world economy and prospects for the scientific-technical revolution--all analyzed through the prism of the goals sought by Romanian socialist society--of course bring specific options in the development policy at a given moment. The documents of the 12th party congress stand out precisely for this lucid analysis, including forecasts which in the end, speaking in a general sense, aim for basic reorganizations in the economy and in industry in particular, correlation of the economic growth rates with the need for speeding up the process to modernize the economy, protection of the raw material and energy resources known and promotion of new resources, substantially raising efficiency and competitiveness of Romanian products and improving our country's position in the world division of labor.



The plan for 1981 was conceived in strict agreement with the directing lines and the tasks and goals decided by the party congress for the 1981-1985 five-year plan. The thought of Comrade Nicolae Ceausescu powerfully placed its mark on it and, as was pointed out at the Central Committee plenum and the Grand National Assembly session, he systematically examined the plan proposals and guided the work of working it out toward the directions which assure the dynamic and balanced development of the national economy under conditions of raising the degree of utilization of raw materials, reduction in energy consumption, recovery and reuse of materials, concentration of investments for speeding up the start of new capacities into operation, rise in the efficiency of production and export, broad introduction of the achievements of modern science and technology into the economy and achievement of a program to raise the people's standard of living.

A particular feature of next year's plan lies in the diminished rates compared with those established until now for the development of some areas of economic activity. For example, in industry the value of net production will rise 8.1 percent according to forecasts and total production--7 percent.

At first glance a certain slowing in the growth rate may constitute the subject of speculation, but matters appear natural in their real light upon a more thorough analysis. Economists, and not only they, know that always and everywhere, following a more or less prolonged period of rapid economic growth, logically a slower rate of development is demanded. This is for many reasons. First, each percentage point of growth in absolute values represents a continually larger figure according to economic progress. Second, the predominantly extensive growth during a certain period makes it possible and absolutely necessary to have a gradual move to a predominantly intensive growth, placing the emphasis on aspects of the efficiency and quality of production. Third, the rise in available resources, with regard to their proportions and structure, seen at the national and world level for the present and in the future, also involve at certain intervals a critical review of the tempo of development. Finally, last but not least, it should be remembered that, despite the reduction in certain rates under the influence of the conditions shown, the economic growth rate in Romania will continue to be one of the highest in the world next year, also.

The country's industrial development in 1981 is to be powerfully marked by intensification of the modernization process, in accordance with the plan forecasts, by sustained growth of the branches which produce raw materials, priority promotion of the sectors and products which have high processing of the resources, rise in the technical and quality level of the products, full utilization of the production capacities, more emphatic growth in labor productivity, management in the spirit of a strict system for saving raw materials, fuel and energy. Implementation of these guidelines, as was pointed out at the Central Committee plenum, of course involve the joint efforts of all workers in industry, a spirit of responsibility and demandingness in plan fulfillment, of being uncompromising with lacks and shortcomings, a general aspiration for surpassing oneself, innovation and improvement and toward assimilating any progressive experience.

Broadening our own base of raw materials takes on crucial importance under present circumstances, even if it involves--and most times it does involve--incomparably greater efforts than in the past. Although in many cases the conditions of the deposit and of extraction are more and more difficult and costly, although the substance of certain ores is useless substance or quality of other resources is lower,



often it seems more advantageous to use them as such than to import them from unsure markets and at continually rising prices.

In this spirit, next year's plan is concentrating massive efforts on intensifying geological research, bringing out new energy and raw material sources and then putting them into production, particularly petroleum, coal, ferrous and nonferrous ores. The measures planned which aim at increasing the material incentives for those working in the extraction sectors, by giving special prizes for overfulfilling the plan, undoubtedly will exercise a positive influence on fulfillment of the tasks in this area, together with the large funds being allocated for the organization of projects and increasing material-technical supply to carry them out.

Of course, the base of raw materials and energy resources can bring the expected benefits if it is utilized rationally and utilized on a high level, in other words, if the predominant development takes place in the processing branches and subbranches in general and the advanced processing ones in particular. It is a matter of industries such as the machine construction and chemical industries, and, within them, electronics, electrotechnics, precision mechanics and optics, the production of technological equipment and installations, fine-synthesis and low-tonnage chemistry, the production of fibers and chemical thread, pesticides and tires and so forth. Plan tasks for next year for all the processing branches also were established in accordance with these principle guidelines written in the 12th party congress documents.

Together with the priority development of the branches, subbranches and products which utilize raw materials and energy resources on a high level, there is special importance in restricting production, up to reasonable limits, in the energy-intensive areas as well as finding other ways to save resources. It is no secret--and the working meetings of the RCP Central Committee this summer as well as the Central Committee plenum a few days ago stressed it forcefully--that our consumption standards in many cases are too broad and, even so, are not always respected and that in many places there is poor management of resources, negligence and disorder, which lead to an inadmissible waste of material values. Rapid elimination of these negative phenomena, which have the most serious consequences for the economy, is demanded with every force. As the party's secretary general stressed at the plenum, "Measures are needed for a faster close to the standardization and norming jobs of material consumption, since the plan for 1981 and the five-year plan are based precisely on a rational norming, on rational consumption, on standardization of products and materials and various assemblies and subassemblies, which means assuring the appropriate technical level, quality and productivity."

A major imperative is the steady achievement of planned physical and net production. There are notorious cases where this demand has failed to be taken into consideration, which creates a chain of big difficulties in economic activity and in obtaining the anticipated efficiency from one enterprise to another, from one branch to another. In order for economic life to take place normally and steadily and the results gained to be at the highest quotas, it is necessary to use the production potential of the industrial enterprises to the maximum by raising the degree of utilization of the machinery, equipment, installations and areas built, by assuring technical assistance during all the shifts by appropriate distribution of the technical cadres. At the same time it is necessary to increase security in operation of the installations, machinery and equipment by eliminating interruptions in production and reducing the length of time they remain immobile during repair, by

raising the quality of maintenance, review and capital repair jobs, by providing the needed spare parts through maximum utilization of the capacities in this area and by adopting measures to recondition the used subassemblies and parts to a greater proportion.

Big tasks belong to workers in agriculture in the new year. The average 9-percent increase forecast for net agricultural production is higher than the one in industry and takes into account the lag in 1980 due to climatic conditions as well as also takes into account the progress which will be achieved in material-technical supply of this branch, in improving the structure of crops and considerable rise in harvests per hectare and the production in zootechnics. It is forecast that cereal production should reach more than 23.7 million tons (more than a ton per capita!) as well as the emphatic increase in the production of sunflower, soy, sugar beet and hemp and flax for fiber, vegetables and fruit; the area of double crops and solariums for early vegetables will be extended. In the area of zootechnics the view is to increase the number of animals as well as obtain higher output and production in meat, milk, eggs and wool. In order to provide the fodder base, consideration has been taken to have better use of natural hayfields, to cultivate nearly 1.7 million hectares with fodder plants as well as to raise the production of combined fodder.

It has been said more than once that our socialist agriculture, despite the progress achieved, still has not exhibited the full measure of its possibilities. There are many causes and they have been analyzed at various levels repeatedly, establishing concrete measures to improve the situation. Unfortunately, these measures have not been carried out to the end. Basically it is a matter of the need for actual improvement--not in words or in writing--in the activity for organization and leadership in all the state and cooperative agricultural units as well as all along the way up to the county organs and the ministry, the establishing of order and discipline in work, strict application of legal regulations for agriculture, responsible commitment of all the peasants and all workers from the villages to the process for revolutionizing agricultural production and rapidly increasing vegetable and animal production. "Fulfillment of the plan for cereals, technical plants, vegetables as well as in fruit tree and vine growing should be a constant concern of all the party organs and organizations, the agricultural organs, the cooperatives, the workers in agriculture, the people's councils and all of us," said the party's secretary general at the Central Committee plenum, stressing the need to understand once and for all that the good development of agriculture is a national cause for all the people.

The economic development forecast for next year is supported by a large investment program which totals 220 billion lei, that is, as much as the funds represented in 1980, marking a reduction in the quota of accumulation in the national income compared with the average in this five-year plan. The activity in this area, oriented by branches and sectors according to the goals sought through the plan, must answer some particular demands which are much higher than in the past. First, there is the acute problem of concentrating resources and forces on a restricted number of jobsites, that is, those which meet all the conditions for entering into production rapidly. In this regard it is relevant that of the around 6,100 investment projects forecast in the plan, more than 5,150 are continuing jobs. Second, the start of new projects is strictly prohibited if the execution documents approved do not exist and absolutely all conditions are prepared, conditions which guarantee their finalization in the best terms and with the efficiency established.

There can be a substantial improvement in the ratio between investments made and fixed assets placed into operation and between new jobs and continuing jobs by strict application of these decisions, placing a final end to the old practice of pulverizing the assets on an exaggerated number of jobsites and the length of time it takes to carry out the projects will be shorter and society will benefit faster and more fully from the results expected.

Of course, the efficiency of investments is influenced by many factors which act throughout the investment process or only during its phases. For that reason, finding the ways and means to have maximum achievement of advantages following the assets spent equally concerns the beneficiaries and the designers, the suppliers of materials and equipment and the builders and assemblers, the financing banks and the investment holders. The law for plan adoption requires of all of them, among other things, entering into the investment documents, for the jobs being executed and for the new jobs, the most efficient technological and construction solutions, reduction in the consumption of energy-intensive materials, metal and cement, limiting the volume and area of industrial and agrozootechnical construction in accordance with the needs of the technological processes and extending the utilization of construction materials and elements and standard installations as well as local materials and resources. At the same time, execution of the construction-assembly jobs and assurance of the delivery of equipment and materials in accordance with the graphs spacing out the investments, respect and assurance of the necessary labor force for carrying them out under optimum condition, appropriate organization of the participation of specialists from the beneficiary units in doing the assembly jobs for equipment and making tests, operating the goals placed into operation under good conditions and reaching the parameters planned on schedule.

Foreign trade activity must take place next year under the same sign of efficiency and quality. The plan is conceived in such a way as to provide a balance between the commercial balance and foreign payments; the total volume of foreign trade is to increase 10 percent, of which export taken separately is 21 percent. It should be remembered that in the five-year plan we are ending the average annual growth rate of imports was somewhat higher (16.8 percent) than that of exports (16.4 percent), a fact which negatively affected the balance of foreign payments. The interests of the national economy under current circumstances require considering that the export tasks are minimum ones, while the import tasks are maximum ones. This offers the guarantee for creating the resources for reducing the foreign obligation, giving up new foreign credits as much as possible.

Unfortunately, not all cadres in the economy have a clear awareness of the importance of well-organized, efficient foreign trade activity. Only in this way can one explain why production for export is not being fulfilled in its entirety and on time, why unjustified imports are requested and approved easily, and why there are delays in closing contracts with foreign partners and so forth. Eliminating these situations, taking energetic measures for the development of export production and improving its structure and for raising the competitiveness of Romanian products on the foreign markets and for limiting imports to what is strictly necessary, by utilizing to the maximum our internal resources are prime demands posed by the party for workers in this sector of maximum economic, and not only economic interest. At the same time, actions are required to diversify the forms for commercialization and broadening of the sales markets, to carry out export-import operations, particularly in the area of machinery and equipment, increasing the deliveries of design, documents, technologies and technical assistance abroad, having complete implementation of the conventions for international economic and technical cooperation and increasing the profitability of the joint companies.

The start of the new 1981-1985 five-year plan is going to be promising, giving hope to all our people. In the period remaining until this start, the party is calling on all workers collectives to make sustained efforts to successfully close the 1980 economic year, the last of the current five-year plan, and to prepare the most favorable conditions to move to fulfilling the tasks and goals of the coming year.

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# ROLE OF ENERGY IN NATIONAL ECONOMIC DEVELOPMENT

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[Discussion conducted by Ion Chirculescu with Nicolae Gavrilescu, first secretary of Gorj County Party Committee; Ionel Dicu, first vice chairman of the Gorj County People's Council; Nicolae Bodescu, secretary of the Gorj County Party Committee; Vasile Ogherlaci, director of the Oltenia Mining Combine; Ion Popescu, director of the Rogojelu Electrical Enterprise; Constantin Cioata, director of the Sadu Mechanical Enterprise; Dumitru Iacob, director of the Turceni Electrical Enterprise; Nicolae Haranaciu, director of the Birsesti Cement and Asbestos Cement Combine; Victor Murea, director of the Tirgu Jiu Petroleum Trust; Valeriu Olaru, director general of the Gorj County Agricultural General Directorate; Ion Tomescu, director of the Tirgu Jiu Fruit-Growing Research and Production Station; and Gheorghe Vlad, director of the Tismana Hydrotechnical Construction Trust]

[Text] Keeping a high economic growth rate, to which we add the implications caused by the world energy crisis, defines energy as a vital problem in our country's strategy of development in the coming decades.

Proceeding from these considerations, the 12th party congress established the strategic goal that in the next decade our country should become independent from the viewpoint of fuel and energy, taking action consistently, in conformity with the Program-Directive for research and development in the area of energy, to extend geological research, to discover and utilize new energy resources, to manage the country's entire energy potential with maximum efficiency and actually reduce energy consumption in all areas of activity.

Saving of energy, substantially reducing energy consumption per unit of product in industry, transportation, agriculture, construction, far from being a demand required by a particular circumstance, are one of the basic conditions which raise economic efficiency to the highest dimension, as a result being imperative as a lasting concern in all areas of the production of material goods.

In the speech he gave at the recent RCP Central Committee plenum, Comrade Nicolae Ceausescu brought out the special importance which reduction in consumption of useful energy, modernization of production technologies, rationalization of the utilization of raw



materials and energy-intensive materials and increase in the efficiency of energy transformation have for the success of the new five-year plan.

The discussion organized by ERA SOCIALISTA, together with the Gorj County Party Committee, in which cadres with responsible work in the county's economy and party activists participated, brought out several major aspects in the energy area. At this time a number of opinions were expressed and suggestions were formulated referring to the development of energy resources and to the saving and efficient utilization of energy and fuel.

#### **Demands for the Development of the Energy Base**

Nicolae Gavrilescu: The current and future requirements of the accelerated social-economic progress of the country place development of the energy base among the priority concerns of our party and state so that Romania becomes independent from the energy viewpoint within a relatively short time, substantially reducing the import of raw materials. This priority goal, whose importance for economic growth has become overwhelming under the conditions of the world energy crisis, is completely realistic and carrying it out is based on the joint efforts of all the counties with a view to improving the balance of the country's fuel and energy through amplification of geological research, the discovery and utilization of new energy sources and through reducing energy consumption per unit of national income.

Gorj County, an important complex of fuel and energy in Romania, is decisively committed to the broad action of the development and superior utilization of the energy base, with more than 70 percent of coal production and more than one-fifth of the country's electrical energy production and large quantities of petroleum and gases to be produced here by 1985. In order to get a picture of the size and complexity of the energy problem confronting our county, it is enough to show that coal production is to rise from approximately 23 million tons this year to more than 60 million tons in 1985. The rate at which production rose for the first 9 months this year compared with the same period in 1979--that is, 24 percent for coal, 38 percent for electrical energy and 37.2 percent for crude oil--is an assurance of fulfillment of the tasks assumed. Precisely for that reason, the development and intensification of geological prospecting activity with a view to the discovery and utilization of new deposits and energy resources, the efficient rise in the production of coal, electrical energy, crude oil and gases as well as the saving of fuel and energy basically polarize the entire series of concerns of the county party committee.

The actions taking place in these areas are an integral part of the broad process of moving to a new quality. That is why we are particularly concerned with raising the quality level of the party organizations' activity and raising the competence of the workers' councils. Because the effective application of the new economic-financial mechanism is not produced automatically but, it involves the collective contribution of thought, a high spirit of social responsibility and elimination of old practices and overcoming of inertia and routine from economic activity. The political-educational actions we are carrying out with more and more intensity, along with the steadfast concern with raising the competence of the leadership, are intended to contribute effectively to a radical change in the concept of economic development so that efforts are successfully

directed toward the quality aspects of production. We are aiming for each party organization, each workers' council to understand that it is not a question of an extra concern or of ordinary measures, but of multilateral and permanent activity based on concrete goals which include the entire life of the enterprise and aim at obtaining maximum economic efficiency with minimum material and financial effort.

A reconsideration of all the activity referring to the development of the country's energy potential has in mind a substantial rise in its contribution to improving the country's fuel and energy balance. Precisely for that reason it has become acutely critical to intensify geological research, which has lagged behind the needs of the development of the national economy, with geological research activity currently not being at the level of requirements imposed by the development of the energy base. And total energy consumption, as we know all too well, can only rise as new energy resources are identified. Requesting that scientific research be at the level of existing possibilities, optimum conditions are created for the rational organization of development and utilization of energy resources and for carrying out activity with a greater view of the future, with the energy of the future involving the broad-scale organization of the utilization of solar and geothermal energy and coal gasification, besides nuclear energy. Even now, the Sadu Mechanical Enterprise has moved to the organization of solar panels. The first steps also are being taken in the use of biogas in agricultural production.

But whatever rate energetics develops at, the savings of fuels and energy now and in the future is one of the most important and certain energy resources. Whereas Gorj County is a big energy producer, it is just as true that it also is distinguished as a big consumer of energy, particularly electrical energy, with the Oltenia Mining Combine, the petroleum fields, the Rogojelu and Turceni thermoelectric power centrals and the Cement and Asbestos Cement Combine being representative from this viewpoint. Through application of the program of measures for saving energy resources the view is to reduce the average indicator of energy consumption per 1,000 lei industrial production, an action which is not and cannot be a matter of circumstances but is a long-lasting strategy, a basic constant of economic efficiency. Precisely for that reason, in the actions which are taking place in all areas of activity under the leadership of the party organizations, we are proceeding from the consideration that the reduction of energy consumption cannot be viewed only through the prism of reducing consumption for some products by several percentage points--a matter which is extremely important, too--but rather as a profound and wide-reaching activity whose main goal is to replace the technologies which are big consumers of fuels and electrical energy, to promote the products which are less consumers of energy-intensive raw materials and to manage the entire energy potential which the county has available with maximum efficiency.

The county committee is guiding the party organizations to give more vigor to political-educational work so that it contributes through its content of ideas and its concrete nature to developing the workers' feeling as owners and producers, with their involvement gathering more force and efficiency in the action to manage energy, to combat demonstrations of a "free hand" in the use of raw materials and materials. The effort to increase the workers' maturity and to develop their personality and initiative in the organization and leadership of production is synonymous with the effort to assert worker democracy, with any success at these levels

having particular importance, since in the end the measures, programs or decisions, no matter how well-based they are, are not carried out by themselves but through the direct activity of the people.

Vasile Ogherlaci: Modern energetics more and more is based on the achievements of science and highly-productive technology. This is a truth we know rather well and as proof there are the achievements we have obtained in geological research. The demands of the national economy under the conditions of the move to a new quality as well as the current world energy crisis, which has not bypassed any country, regardless of size or degree of economic development, are changing substantially the data of the problem in geological research as in all branches of science, with the main desirable being to intensify research for the purpose of discovering newer and newer sources of energy and new deposits of coal, crude oil and gases. This makes it possible for us not only to know the reserves we have available for a longer period but also to organize each operation depending on the deposit's conditions, according to the principles of high economic efficiency. In this way we also can overcome those practices of moving to open a mine before having all the technical-economic documents. True, there have been a few of these cases but this is not an excuse but a serious cause for reflection because such practices end in large material and financial expenses which do not end in corresponding production. For example, in Rosiuta, without having solid documents existing for the deposit conditions, it was decided to open an underground mine--one later which, it would be found, had to take another variation, that is, pit operation, which involved other expenses, since it is a matter of a totally different technology.

In more situations the stress has been placed in the research done by macrozones, perhaps for financial reasons ignoring detailed geological research by microzones, the only one capable of offering the most true information about the perimeter of the deposit and the conditions in which it is.

Nicolae Gavrilescu: I do not dispute this conclusion. But I think the problem should be viewed in a much broader framework, which permits us to understand at the true dimensions the decisive importance of the osmosis between production and research. Whereas geological research did not also act as an opener of roads, which among other things also brought the practice of starting some projects to exploit the deposit without having all the necessary data beforehand, this also is due to the mentality according to which each one solves his "slice." Research solves its part and raises its monetary rights, the design does the same, while production in many cases manages as it can.

The antidote for this old and harmful mentality is the organization of careful geological research carried out in close collaboration with design and production, that is, exactly what is being done now, but, unfortunately, not yet at the level of demands. It would be a real help for the development of research and technological engineering to form a nucleus of scientific research which also would include the most gifted specialists from production.

Victor Parea: In our drilling-extraction trust, the rate of geological activity has not always risen to the desired intensity, having been below the possibilities. I think one of the causes has its source in the trend toward gigantism, which has made research and exploitation activity more difficult. Thus, until recently our trust was organized with a radius of 11 counties--from Gorj up to Maramures--with

research and exploitation jobs being carried out in this space. In these conditions the coordination of activity was difficult, which had negative effects on the rate of the work. As a result, there could not be corresponding development of the work capacity, with the number of meters drilled being lower. Now the zone of the old trust is organized into two trusts, which makes it possible to have optimum organization of activity, to have rational spacing of the jobs, with the proof being the intensification of the drilling rate and rise in the volume of extraction of the crude oil and natural gases.

Ion Popescu: In all cases efficiency starts from the drawing board, where the designer, basing himself on the data of scientific research and broad documentation, can offer the best solution, with the condition that he have close and productive collaboration with the builder and the beneficiary. Sometimes this collaboration stops at a certain point, with the solutions planned being deprived of the effort of collective thought and practical experience, in other words, of that plus of economic efficiency. This state of affairs is met at the Rogojelu Thermoelectric Power Central, where we have been placed in the situation of making all kinds of improving and spending large amounts of money.

Nicolae Gavrilăscu: This is a typical case, demonstrating--if there still is a need to do so--that it is not enough to conceive of something but rather you must carry it out to the end, carrying out the idea in conformity with the data offered by experience, by the innovations in the area of technology. In the case of the Rogojelu Thermoelectric Power Central, new data and experience has been accumulated in the period since it was designed and put into operation, experience in the utilization of inferior coal, with solutions having been found to raise the caloric power through water elimination and elimination of waste plus better homogenization. Our researchers know these things but they have not overcome the phase of sterile discussions and good intentions so that in the period of the design and construction of the thermoelectric power central the necessary improvements no longer could be made, as was natural.

Nicolae Bodescu: In the area of the collaboration between research, design and production certain deficiencies are being demonstrated. It is hard to say whether they are caused by the organizational structure or the lack of convergence of financial interests. Things differ from case to case. There can be otherwise ideal situations where the production organism can include both research as well as design, with this unified whole eliminating any hindrance in the research-design-production circuit. However there are situations where this is not possible or is not justified economically.

As has been stated here, too, in the activity of the discovery and utilization of new energy resources there are bigger or smaller difficulties cultivated by some negative situations which are shown in the scientific research-design-production circuit and the practical solution would be an understanding of the essence of the principles of the new economic-financial mechanism in the area of research and not the pursuit of easy income at any price.

As we know, as in all areas, both in research and in design plan fulfillment must be synonymous with obtaining profits following the activity put forth. However, there are situations where certain objective causes can endanger plan fulfillment and, as a consequence, the solutions chosen are not studied thoroughly from the technical and economic aspects, having been given over to production. So the plan was fulfilled, the profits were achieved, but it is not known whether production,



which honored its contract, can benefit effectively from the solutions offered by research or by design. Precisely for that reason I think it is necessary, by virtue of the new economic mechanism, to keep in mind the economic efficiency obtained in production upon payment for each job worked out by scientific research or by design. This would have a beneficial effect in all regards, making the efforts to be directed toward quality and toward maximum economic efficiency in all departments of economic-social life.

Ionel Dicu: I completely share this viewpoint, with achievement of it meaning a real and effective contribution to the integration of research and design with production. In this way we also could end those practices where any problem given for study by a scientific research institute is taxed as research, although it was solved at the world level or not. And, generally, what should be resolved is known at the world level, with all research activity confining itself to documentation and design; however these services, which basically are nothing more than solutions of engineering and technological design, are presented as scientific research and are paid as such. That is why it is good to make a precise definition of boundaries, considering scientific research as that which truly brings something new, while documentation work for design and achievement of a technology or already existing installation at the world level should be considered as technological engineering and paid as such. Viewed in the totality of production efficiency, this stimulates scientific research, increasing its role in the modernization of techniques and technologies and in increasing economic efficiency.

Valeriu Olaru: Broadening the range of energy resources is a main means in our county for the multilateral utilization of the energy potential we have available. I have in mind here the move to the broad-scale use of solar and wind energy, the water of rivers and brooks and of biogas. And for this we do not have to wait for everything from scientific research but we should prove our initiative in the use of local resources.

Agriculture is capable of becoming and can become a supplier of energy through biogas production. If biogas production installations were built in the existing 100 agricultural units in the county, installations which are rather simple and mean small costs, 15-6 MW could be obtained, energy which could be used in the production of vegetables in greenhouses and so forth. Installations for biogas production can operate successfully in the 90,000 farms of the population which exist in the county, too, thus providing around 200,000 kW.

Constantin Ciota: Our enterprise right fully can be considered a true pioneer in the use of solar energy, with its having reoriented a portion of its activity for the production of solar panels. This year we are producing around 2,400 solar panels, in 1981 we should produce 70,000 and in 1985—more than 250,000.

Although the product is not very well-known, we have enough clients, with its being requested in particular by institutes and enterprises in Constanta and Timisoara. Precisely for that reason a portion of our collective's concerns aims at organizing the technological flow of the manufacture of solar panels as well as the diversification of this new product.

Nicolae Gavrilescu: Our concerns for broadening the range of energy resources is clear and this permits us on one hand to utilize the county's energy potential to the maximum and, on the other, to contribute to a greater extent to improving the balance of the country's fuel and energy. But, unfortunately, it seems that we



are acting in slow motion in an area where nearly everything depends on us, on the work collective's initiative and the people's managerial spirit, qualities we do not lack at all. In exchange, we lack that developed spirit of organization involved in innovation. If we evaluated, and rightfully so, the concerns of the collective at the Sadu Mechanical Enterprise for the production of solar panels, we cannot agree with the indifference with which the use of solar panels is treated in our county. It is good that these panels are being delivered in other counties and we will increase these deliveries, but why do not our economic or social organs, institutes or enterprises think about using solar energy? The county party committee plans to work out a specific program for the use of solar panels in the heating of microgreenhouses, apartment houses, dormitories and so forth.

Things are just the same with regard to biogas production, with only five-six installations being in the entire county. Despite the fact that we have available great hydroenergy potential, we do not insist convincingly enough on building microhydroelectric power centrals, although I do not think the design would raise any problem, since several have been operating in the county for more than 40 years.

Raising these few aspects does not mean that we limit ourselves to determining a state of fact. On the contrary, the county committee is preparing a complex program on whose basis the party organs and organizations should carry out broad actions for the multilateral utilization of Gorj's energy potential.

Victor Murea: To answer the continually rising demands of the national economy as best as possible means that the efforts we are making with a view to discovering new energy resources should be joined with constant concern for rapid utilization of the new deposits. But, along with this, with regard to the extraction of crude oil and natural gases, I feel there is a need to eliminate those bureaucratic barriers we meet when we must obtain the necessary approvals to make payments for the investments brought on by utilization of the new deposits. Although our trust, as well as the research institute, present clear data on the deposit's potential, they cannot convince the economist from the Investment Bank--I have forgotten the reason--who asks for all kinds of papers. So that, for a year or even two years, instead of giving petroleum, we give explanations and draw up memoranda or documents on top of the old documents, since following some unbiased calculations they show us that the particular production allegedly could not be profitable, as a result requiring us to reduce the value of investment expenses requested. Of course, in the end, that is, following 1 or 2 years, we receive the approvals but production suffers and we, instead of being concerned more with the problems of organization or of prospecting, waste our time drawing up all kinds of papers.

Vasile Ogherlaci: The major demand in coal production is the rapid introduction of modern techniques and technologies together with the start of new production capacities into operation. And in this direction notable efforts are being made to create all the conditions without which it would not be possible for us to obtain a production of 35 million tons of coal in 1981 in the Gorj basin and more than 60 million tons by 1985.

This spectacular rise we have proposed is fully achievable if action is taken with perseverance and efficiency to intensify geological research as well as to modernize the technologies and introduce highly-productive equipment.

Whereas a peak technique comparable with the technique existing at the world level has been reached in surface mining operations, in the underground ones the situation

is not satisfactory. More than ever there is a need for productive collaboration between the Ministry of Machine Construction, scientific research and the Ministry of Mines, Petroleum and Geology. If it is true that Gorj has available large coal deposits, it is just as true that without a joint effort and without the efficient contribution of other ministries we cannot raise coal production to the level of tasks assumed.

The safety of operation of the equipment and the mining installations is of vital importance. The technical qualities of some of the equipment and installations produced by our machine construction industry are notable. However, some produce big shortcomings for us, as is the case with the underground mechanized complexes and the conveyor belts. For example, last year 16,255 hours of downtime for the belts were recorded at the Gorj mining basin as a whole due to torn rubber covers, which equals a loss of around 9 million cubic meters of excavations. Matters are being repeated this year, too, with more than 6 million cubic meters of excavations having been lost in 8 months.

Ionel Dicu: Rise in the degree to which modern techniques and technologies are incorporated into production requires more than ever the stimulation of technical, competitive thought, the only thing capable of bringing the active participation of the engineers and technicians in each enterprise in the introduction of modern technologies and improvement in the quality parameters of production. In each production unit there are engineers with rich experience and programs of measures aiming at the modernization of technologies are being worked out. Unfortunately, consistent action is not being taken everywhere to solve some big problems of modern technology and energy consumption, with the concerns for the most part being limited to solving some problems which really are useful but of less importance. The causes for such situations are many, but one of the most important is the fact that raising the quality level of production and assimilation of new products and technologies have not become a basic component of the party organizations' activity everywhere, although the enterprises have available the necessary technical capacity and potential. This explains why some engineers persist in avoiding complications, for which reason they work according to too-well-known procedures, while others, afraid to make a mistake, do not succeed in overcoming the status of "execution personnel," being content with dispatching activities or other kinds of activities which could be carried out well enough by the technicians.

We must strengthen our guidance and control activity so that the party organizations give concrete help to the workers' councils in the development of technological engineering activities, militate so that the engineers and technicians carry out as many ideas as possible, taking effective action to overcome the difficulties which appear or to combat conservatism.

Nicolae Bodescu: There are very efficient technologies whose application is made difficult because the organs rightfully called on to give these approvals see only the financial aspect.

For example, at the Cement and Asbestos Cement Combine a technology worked out in 1950 is being used for the transportation of limestone, that is, the usage of big-tonnage dump trucks. It is clear how much fuel is consumed annually if 3.5 million cubic meters of limestone are transported for the combine's production, while a dump truck transports 20 tons in a single trip. We have proposed the transport on belts, which is much more efficient but we were not given a favorable answer,

citing the large volume of investments required by this technique, although it is much more advantageous, bringing big savings of fuel, among other things. It goes without saying that a modern technology requires some investments, but this effort is fully repaid through the big economic effect provided by the high degree of energy utilization. I think it is necessary to analyze this aspect, especially since, under conditions of the new economic mechanism, the collectives in the enterprises are directly concerned with a systematic and rapid innovation for manufacturing techniques, reduction of material production expenses and rise in net and physical production and labor productivity, since their pay is organically linked with the economic results.

#### Reduction in Consumption, the Richest Source of Energy

Nicolae Gavrilescu: It is a truth fully demonstrated by our experience as well as by world experience, that the reduction in specific consumption of energy is the richest source of energy. Proceeding from this consideration, the 12th party congress established that in the coming decades the total consumption of energy can only rise as new sources of energy are identified and technological methods are applied which are intended to lead to their superior utilization and, as a result, the decisive condition for developing the national economy at a sustained rate is a substantial rise in the economic efficiency of utilizing fuels and electrical energy.

The result of viewing this goal are tasks of great responsibility facing the party organizations and collective leaders in the enterprises to carry out the programs for saving energy. As we have already said, Gorj is a big producer of energy, but at the same time it also is a principle consumer. For the first 8 months this year, savings of 597 tons of metal, 5,050 cubic meters of wood, more than 1,000 tons of gasoline and diesel fuel were saved for the county as a whole. The savings could have been even greater, however, if action had been taken in all the enterprises to prevent and eliminate any kind of waste. The party organizations and workers' councils are not systematically following up on the way in which the programs of measures for fitting into the planned consumptions of raw materials, fuel and energy are being finalized.

Nicolae Haranaciu: The Cement and Asbestos Cement Combine is a big consumer of electrical energy, while the current technology upon which it is conceived to operate does not offer too many possibilities for reducing the consumption of electrical energy. Yet, by application of a series of technical and organizational measures such as improvement in the networks for the grinding ovens, raising the degree of usage of the equipment and working time, replacement of clay with pit coal waste, we have succeeded in reducing electrical energy consumption per ton of cement. The concerns we have in this direction are a sure guarantee that we will succeed in continuing to reduce the consumption of electrical energy.

Unfortunately, our combine actually does not have the possibility of mastering the entire problem of energy consumption. I have in mind here the compulsory nature of having the ovens stop rather frequently to reduce energy consumption, a measure which I feel is unnecessary, since in order to again bring the ovens up to the optimum temperature to produce we must heat them up by consuming methane gas, without obtaining one gram of cement. Last year these stops and reheatings required a consumption of 8,280,780 cubic meters of natural gas, while it was nearly 4 million cubic meters in the first half of this year.

The reasoning for saving energy is well-founded, only our higher organs have given a dogmatic interpretation in the sense that they did not take into account the specific nature of the technology of cement production. As a result, the quota of energy distributed, that is, the consumption standards established, are smaller than the requirements fixed by technology. In order for us to fit into the consumption standards established, we must stop the ovens because they "get stubborn" and will not operate with 80 percent of the energy and only with 100 percent, as the technology for them was conceived.

Dumitru Iacob: I believe that it is in the interest of the national economy to assure the quotas of energy and fuel in accordance with the consumption standards established in conformity with the requirements of production technologies. One cannot call it a savings to reduce the quotas of energy and fuels by failing to take into account technological requirements. Rather, this is a false savings, as it was stated well here, since a certain energy consumption does not have its correspondent in appropriate production.

It would be very good for this problem to be studied carefully and solved in the spirit of the principles of economic efficiency, since it has a decisive role in the realistic substantiation of the production plan.

Gheorghe Vlad: Successfully carrying out the measures to save energy is organically linked with the safety of operation of the equipment, aggregates and spare parts. Of course, there are good achievements in this direction from the machine construction enterprise. Unfortunately, some aggregates or equipment are made inappropriate sizes, being conceived with big consumptions of energy or fuels. A number of spare parts do not operate at the level of technical parameters or have a number of defects, with all these producing disturbances in the production process and uneconomical consumption of energy.

Ion Popescu: Improvement in the quality of coal in the sense of raising its caloric power is of great importance for the operation of the thermoelectric power central aggregates at the parameters designed. The solution is to achieve homogenization of coal so that it has at least 1,600 kcal/kg. By using coal at the caloric power of 1,600 kcal/kg, at which the thermoelectric power central is designed, we will be capable of eliminating hydrocarbon consumption which we now are being forced to make in order to raise the caloric power of the coal. In addition, this will contribute substantially to raising the indicator of operation of the aggregates.

Nicolae Bodescu: An extremely efficient means for saving all types of energy is the precision, control and automation apparatuses, including the processing computers. Not supplying the enterprises with enough of these apparatuses makes it impossible for them to prevent irrational consumption of energy and to provide optimum operation of all installations. Here we see how important it is to organize the production of control, precision and automation apparatuses at the level of requirements.

On the other hand, it is necessary to decisively move to drawing up the energy balance in all the enterprises. There are many cases where the machinery or equipment of the same type have different consumptions—some have optimum consumptions, while others are super-consumers. Due to the lack of an energy balance, many enterprises do not know how much each equipment consumes or which installation or machine must be kept in production and which should be shelved.



Constantin Cioata: I totally share the opinion regarding drawing up an energy balance in all the enterprises. However, in order for this to become a reality, and an efficient means for directing production, it is necessary to regulate the problem of shelving. At this point, the standards in effect do not provide for the right to remove old equipment from production although, due to usage or outdated technological concept, they are consuming very much energy.

Ion Tomescu: The development of agriculture on the basis of an energy balance is a vital condition for zoning and planning agricultural production and the mechanization and chemification of production. And in this framework the most efficient ways to utilize energy and fuels can be established. Currently we have available large resources in this direction, resources which would end in big savings of energy if utilized. For example, the chemical industry produces small quantities of complex chemical fertilizers. For this reason we are forced to administer fertilizer in three phases, which means passing by three times over the same area with the tractor. But if we had complex chemical fertilizer, the administering of it could be done in a single pass with the tractor, which would mean a big reduction in fuel consumption and avoidance of sinkage of the ground. Things are also the same with regard to administration of pesticides. The lack of complex pesticides, which permit combatting two or three pests at the same time, requires having the tractor go over the same area 10-15 times, using a certain type of pesticide for each pest.

Ionel Dicu: I find that a dialectical relationship exists between plan substantiation on realistic bases and efficient utilization of energy. Of course, notable efforts are being made in Romania so that account is taken in working out the plan of the concrete conditions and possibilities of the enterprise. Despite this, until now things have not radically changed so that the practice of failure to correlate the indicators continues to be kept. Although some production capacities are not placed into operation, production is planned according to them or, in other cases, a growth in labor productivity is established on the basis of some mechanization processes which are merely on paper. At the enterprise for rubber and regenerated rubber products, production was planned on the basis of some capacities which still have not been placed into operation for various reasons. Things are the same in other enterprises, too.

These situations, which contradict the principles of the new economic mechanism, remain since the industrial centrals and ministries do not take into account the realities of the enterprises and their concrete possibilities in substantiating the plan. The presence of these organs' representatives at the workers' general meetings or on other occasions is more of a formal nature and boils down to noting down the problems raised in a notebook.

Nicolae Gavrilescu: Efficiently carrying out the principles of the new economic mechanism, among other things, means correctly measuring the enterprises' effort. I have in mind the well-established principle in the practice of forming prices in Romania, strictly specified in the legislation in effect, of the social production costs being the basis for establishing prices. Real substantiation of production prices in accordance with the concrete objective conditions of production provide equitable conditions for profitability and self-financing for all units.

Both in the area of coal extraction as well as in that of crude oil extraction, the costs necessitated by the introduction of new techniques and of mechanization



and electrification of production have risen 2-3 times. It is natural for strictly necessary costs to be recovered through the production price so that the particular enterprises obtain the necessary profits to establish their own assets and provide material incentives for the workers. This also better stimulates the saving of social labor, the enterprises' concern for reducing production costs, primarily material costs.

Ionel Dicu: In accordance with the law, the industrial centrals are invested with a number of duties by virtue of which they have the opportunity to base their concerns in the area of cooperation and closing of contracts and the organization of production and labor in the enterprises. These major obligations can only be carried out by efficient participation in solving problems for the whole period of working out the plan and fulfillment of it.

Nicolae Gavrilescu: The demands imposed by the development and utilization of the energy potential of the county require raising the level of leadership of the party organs and organizations, having each organization and each communist carry out its and his role in uniting the workers' efforts to increase physical and net production and to obtain bigger and bigger profits. Striving to bring a qualitative leap in the work of the party organizations and to instill a dynamic style of work, we will be able to better implement the principle of worker and socialist democracy by having a more active commitment from the workers in fulfilling the tasks assumed. The results will be better if the collective leadership is efficiently united with each one's responsibility and work and the workers take action steadfastly as representatives of the owners and the producers. That is why we must improve the content of guiding the party organizations at the level of current requirements, eliminating routine, formal actions and humdrum work. We are tending to reach a situation where everything undertaken in each party organization should specifically answer a goal, mass political actions should be efficient, interesting and convincing while demagoguery should be demonstrated not in general but specifically toward the conservative, bureaucratic demonstrations. The new tasks referring to the move to a new quality require not only competence but also a new way of thinking, of taking action so that high economic efficiency is obtained in exchange for a greater creative effort.

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## YUGOSLAVIA

### STATUS OF YUGOSLAV FIRM IN WEST GERMANY

Hamburg DER SPIEGEL in German No 46, 10 Nov 80 pp 115, 117

[Article: "Something Is Going On"]

[Text] Koerting, the former People's Radio firm is currently managed by Yugoslavs--to date without success.

Two years ago, when the socialists from Yugoslavia assumed power over the bankrupt capitalist firm, they were unusually generous.

Oskar Pistor, new chief of the Koerting Radio Factory in Grassau on Chiemsee--which was bought by the Slovene Electro-Concern Gorenje, assured: "The enterprise will be administered by German managers in the future too."

The promise did not last very long. At the beginning of last month, the three German members of the Koerting management were relieved of their posts and replaced by Yugoslavs. Comrade Pistor can hardly be accused of breaking his promise: When his German colleagues on the executive committee were dismissed, he lost his beautiful job in the West as well.

In the meantime, the Yugoslavs also announced a "reduction in the work force." It has not yet been decided how many of the 1,400 Koerting workers, among them 300 Yugoslavs, are to be dismissed.

The German radio industry was from the very beginning suspicious of the peaceful coexistence between socialist and capitalist managers, because Bernhard Zumkeller, sales manager, Waldemar Moortgat-Pick, project manager, and Fritz Seyfferth, financial expert, were part of the management team when the old Koerting Works went bankrupt.

After the war, the firm--which during the time of the German Reich was very successful with the People's Radio--established too narrow an association with two partners. Koerting owner Gerhard Boehme sold his television sets primarily to the Neckermann mail order house and hi-fi equipment to the Elac Works in Kiel.

Both partners went downhill, one after the other. Neckermann was sold at a loss to the Karstadt department store concern, Elac went completely out of business.

The unavoidable demise of the old Koerting enterprise met with practically unconcealed glee among German competitors. After all, Koerting's Boehme had supplied the unpopular mail order house competition.

Nevertheless, the industry was quite unhappy when, after a long search, Anton Jaumann, Bavaria's minister of economics, found someone who would rescue the bankrupt enterprise: Using an investment premium of DM 5 million, he attracted the Yugoslav Worker Concern Gorenje, an enterprise which, to be sure, was unknown in the West; nevertheless, it is not exactly a small enterprise. Today it has a sales volume of DM 1.3 billion and employs 18,000 people.

For a long time, specialty retail outlets which were catered to by representatives of the newly established "Gorenje Koerting Electronic GmbH & Co" would not let the representatives of the Grassau work forget the unsuitable liaison with Neckermann, the cheap retailer.

Soon it also became apparent that Pistor, the new Koerting boss, had bitten off more than he could chew. Instead of DM 216 million, as initially announced, last year's sales reached only DM 175 million. And there were no profits.

The gentlemen of the concern in Velenje, not far from the Austrian border, had given Pistor "a lot of freedom" (Zumkeller). It changed when at the beginning of this year a new man was elected to head the Gorenje concern: Gregor Svaiger, a trained engineer. Soon, more and more frequently Yugoslavs were looking after things in Grassau. Finally--3 months ago--Slavko Geratic, in charge of international marketing at Gorenje, settled in Grassau to oversee everything.

The Germans were right in suspecting that "something is going on." At the beginning of October, Svaiger suddenly replaced the entire management team. The Germans were demoted. Josef Postrak from Velenje was promoted to the management position.

In Grassau, the times of beautiful freedom under socialist control are over. "The reins have been tightened," suspects a Koerting manager.

To be sure, this year the Germans can produce better results for their masters in the East: Last year's production of television sets (150,000 units) had already been reached by the end of September, sales are to increase by 2 percent and, at any rate, approximately 2,000 specialty retail dealers--one-fourth of the industry--are now carrying the Koerting brand.

But even this year it is unlikely that the coveted Western exchange will arrive in Velenje; there are still no profits. On the contrary: To be able to increase efficiency in production, the capital stock had to be increased by DM 20 million.

Gorenje has a difficult time on the Yugoslav market, which is plagued by crises. The managers from Velenje have every reason to watch the money of their German subsidiary. In the middle of October, Svaiger, the boss of the concern, paid a visit to the Minister of Economics Jaumann. In plain politburo style, the CSU man and the socialist announced subsequently that "a certain concentration and continued specialization will have to be achieved in Grassau."

Because in comparison to the Japanese competition, the personnel-intensive manner of production employed by the Yugoslavs and Bavarians seems still quite archaic.

Nevertheless, one factor remains to comfort the socialist owners. Christian-socialist Jaumann is underwriting up to 15 percent of the investments for modernization in a tourist region which has little industry--in spite of the fact that these funds will become the property of a socialist enterprise.

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